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# ALYESKA PIPELINE SERVICE COMPANY COVERT OPERATION

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## REPORT

OF THE

## COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

OF THE

## U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED SECOND CONGRESS

SECOND SESSION



JULY 1992

## PART III

### APPENDIX—EXHIBITS 84-200

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is a permitee. Up till recently the permitees were Exxon, Arco, BP so the permitees, themselves, are shipping stuff to their own, so the permitees, who own that terminal, who own the PDS permit are the ones who are breaking the law. Sending stuff to it that they're not suppose to. Now, my opinion is right arm left arm the shipping department don't know shit from shinola. They knew this was a problem way back when. They got cleared it up, nobody caught them, so they're back doing it.

1: OK.

2: But this is illegal as hell.

1: So go through the scenario again, briefly. They pull up the barges put this junk in their that's supposed to be ballast water.

2: No. Forget the barges. This is another operation. That's BP. BP is barges. Arco is on land, and Exxon does it at, ah, at, ah ligtery. Exxon took the tank cleanings. The crud the shit the chemical that they use to clean the tanks, all that crap and they diluted it in the ballast water going north, and there's no record of it. What I am going to have, is the guys were on board who tell us, what day it happened, what ship it went to, and all I got to do then is go to dry dock and say, they knew it was going to dry dock, and get ------. They go to dry. Dry dock did you get this thing clean? Vapor clean. Did you accept any tank cleanings. You can't into dry dock without cleaning the tanks. Did you accept it? No, we don't have anything to do with that, ok. Then you go to, ah, Exxon and you say, hey, Exxon what did you do with it. We know you went, I am gonna accuse them of having it taken to Alaska, because I know they did. I am going to have some sworn testimony ---------- we went to ballast water treatment plant. And then ballast treatment plant can't handle it. It's not legal. First of all, secondly, I know but I haven't tracked it down yet, but I know they practice in the past has been, know, the product tanker, like the ones in Florida, they carry everything. Chemicals, shit ----- you name it, jet fuel, leaded gas, etc. When they clean those out to go to dry dock, I know that they use to send it to Alaska. That's what I bitched about the first time. That's what I was bitchin about was that stuff. And they do the same way. The product tanker was all set and clean to either come on side with their on ships and ship it over, which took a lot of time, invariably they went to barge in the ship because they were holding up two ships in the operation cause they still hadn't finished cleaning. So it's easier to do it through a barge. But I am not





EXHIBIT 84

going to prove all of that right now. Why should I. Why should, how much money do I have to spend at this. I've got them with the Galveston, and I've got them with the, with the Baytown. And I've got em since the Exxon Valdez spill, and I got an article for you that Mackensie is going to blow up for you, forgot to tell you, on todays paper in Alaska. Where the whole description of Exxon's people are suggesting that Exxon pays 2 billion dollars restoration funds to restore the bay. If, to restore the bay by saving some pollution here by buying trees it would be cut. Do this, do that to help save the bay. And yet, since the Exxon Valdez, the Baytown which unloaded the Exxon Valdez cleans out its innards, ships it to Aliska, which you'll know from whats going on all over the place, is unable to handle what it has in the way of clean ballast water, I mean, normal ballast water. And this stuff has to leak through, I mean every expert will tell you. How's Exxon doing it. Have they lost their mind. They're polluting their own place that they got a 2 billion dollar suit on them. I think it smells real beautiful. I think it's a pretty one. But it's going on now. Well, that happen, ok. Now, catching Exxon this week and last week, I don't what they have done, but I do know this. From what I am told, that, and I got the maps over the weekend faxed to me, and I got to AAA to get the sare map because it's pretty dark, what I got from the fax.

1: Yeah.

2: But, ah, Arco is doing it at a Gaytex terminal. Gaytex is a hugh terminal outfit all over the country. -------- it's terminals to people like Arco. And Arco was, been doing, our guys were told, is when, and we're getting guys on the ship who are going to tell us when it happen and how. That Arco.....

1: Witnesses, will there be witnesses? Will they raise their right hand?

2: I don't know. But I know how to go about now finding out what I want. You understand what I want to do. I want to catch them. I want to catch them and that, ah, is I've already told the guys that we want that for one catching, the rest of em we can throw what we got out and ------ discovery. Because .....

1: One catching is good. We can.....

2: We got this catching. This occurred in its, they're blind sided on this. There's no way they could deny it. This occurred. And they have to show were they went with it. And where they went with it, it doesn't exist.

1: And who's ship is that?

2: Exxon.

1: OK.

2: Exxon Galveston and the Exxon Baytown.

1: And when did that occur?

2: Last fall.

1: OK.

2: Or this spring. Somewhere in the last, since the Exxon Valdez incident. Somewhere in this past year, this has happened. More of its happened, but this is so cold turkey. Because they went into to get, ah, dry dock, you have to do something with your crap, you have to crap before you leave. You have to have a record of what you did with it. In this case. They transferred it over. That would be in the log books of the two ships. That we're going to have cold turkey from the log books. And the guy that are working out for me for you, a way of discovering the log books, where they don't say this crap is coming on board, but when they show the ship stopped and picked fuel, and this I know all along, but I didn't realize we could do it this way. In my instance, when I made my complaint, I knew that they were coming along side for fuel. That the fuel barge would take 4 hours. That the crud barge up front here, fuel barge is back here, the crud barge using the cargo pipes, ah, hoses to put the crud on would take 9 hours. So the ships log shows it finished in 4 hours but the fuel, that show, fuel pipe separated, locked up, sealed, etc. And your ----- there 5 more hours with a barge along side. Now what they put in -------- but it shows that 5 hours as blank which is unheard of. I mean as they let go of that fuel barge they gone -----. But that's not important. What is important is Arco, which would really make it for me, if Arco gets caught. I didn't think they were doing it. Arco's doing it shore. When the cargo hoses get rid of all the crude oil, instead of disconnecting the hoses and leaving, the hose is reconnected on shore to a tank that load crud back into the tanks from Arco shoreside. I have to tell you my speculation. Arco is sending back tank cleanings from Gaytex. That's the tanks on shore. Because that costs them money, now wait a minute. The tanks on shore, if you can't do it there, you can't have a little bit of oil in the water. Can you imagine cleaning these tanks and sending that back with your ship. Ah, and I'll tell you why Aliska likes it. Because some of this crud literally floats up to the top and it's counted as oil and they sell it back to the owners mixed with all the oil. And these guys are really, believe me, I know this to be a fact. So.....

1: You said this was speculation, but

2: Oh, oh, I mean as far as all the ships some of it does float to the top, but the benzine goes out, but the crap floats to the top and gets resold as oil.

1: OK.

2: And that's where they think they're quite. But we know that they can't handle the benzine, the benzine is going into the water and they can't keep it with them, ah, what the government want and they're negotiating how they're going to cut it back. But if you adding benzine to the system and don't tell me about how you are trying to cut it back, and your adding it illegally, for Christ sakes, but I, I hear this is happening enough from what shore people are talking about. But until I get, I just started sending out the word getting guys to tell me, but if this is, I mean how much crud could Arco have to send out, but if it's a common practice, that we could get, really quickly. We could get, ah, when the guys no.....

1: When you say send out, you mean that these guys are sending the crud out. It's being treated.....

2: Not treated, they don't treat this, separated.....

1: It's being separated, sorry, being separated up at this AlisKa

2: Ballast water treatment plant....

1: Ballast water treatment plant. And then the water still has contaminants in it.

2: Has contaminants, first of all it has the benzine, tylene, and xylene that's been additionally sent up. Napthalene, which is a horrible problem....

1: And where's it going?

2: In the bay. And it also has the chemicals. Whatever chemicals they've used to clean this BWG does not treat. It just separates oil and water. Then they got a biological degradation that they boast about which is new, which is worth shit during the winter time, but they say it is. And they aerate some of the benzine which you are supposed to do, but they do it. But they need chemicals in the bay. Chemicals are water soluble, go through the system, and nobodies testing for chemicals, thats not their thing. They test only for hydrocarbons, benzine, tylene, xylene. So if you want to send some PCB's up, cause nobody's testing for PCB's it's just gonna go. I am not saying they sent PCB's up. But you been around almost as long a I have and you know that if the Gaytex terminal guy is able to send his tank cleanings up. The Exxon guys they will send his crap up, then shit, when he's got some barrels of crap it's

going to cost him $1,800 to get rid of it. And all you got to do is dump it in here, it goes to here, it's clean. But where do you think the barrel goes? And we won't prove those, but I am just telling you, that's why this guy will stop because it's a vehicle for this other crap. I've read about this for years and that's how they do things, but that's fine. The other thing that you'll be surprised about is Exxon, Arco, and BP, one of their problems is the product tankers. Now when they go into dry dock a product tanker, this one has jet fuel, this one has leaded gas, unleaded gas, diesel, you name it, ok. And other ------- chemicals that they have, that they ship. This one might be a chemical tank. And when you clean that one to go into dry dock you know $1,800 barrels. I say $1,800 barrel because analysis done by the reclaimer, he finds the crap himself in their, he's got to charge them a lot more. So if you take the product tankers crud and you put it in a tank that BP seems to operate, separate from Arco. Oops I made a mistake. Arco is it's own tanks. BP is the one that uses Gaytex. BP ---- west coast GATX terminals. That's where ---- dock, a barge dedicated -------- stands strictly for shipments north to Alaska.

1: This is the one that pulls along side the....

2: Right. Masks, and the whole smire, gloves, and these guys are rugged --------- hydrocarbons they don't wear masks and gloves ----- all the time. But, ah, this one it goes to the BP ships, and that.....

1: That's a BP operational.

2: BP operation this is an Arco operation only and Exxon ----- at Anchorage.

1: When does the ..... Hold on a second. Hello.... OK ..... That timings fine with me. I'll just wait on your call. Fine.

2: What. Who ----- what, where, when. I don't know. We got the word out to everybody. We're trying to find out, ah. We know, for example, that on BP so far, there could be others, but the one we know about for this. Are Panama, the BP ship called Panama. Through the pipeline of Panama. On the way north, that stops for fuel use Gaytex terminal. Fuel barge comes here and this one comes here, and what we could do is where we know what ships they are, ah, the Brooksrange and I forget the other two. The Brooksrange is one of them. And so when we know when they are coming up, we could start watching for this. ----- this and --------- .

1: Do we know when it happens?

2: Well instead of watching for the ------.

1: ---------- why don't we just look at the Gaytex barge?

2: Well, we're doing both.

1: Yeah, but I mean. Instead of getting out, way off shore looking for the big one we could see.....

2: Oh, no, no, no, I am going to find out when she's coming.

1: OK.

2: I use them as source. I know exactly when they're everywhere. I got to spend some time trying to get my source. So, when I know that Brooksrange is going to be there, or any ship coming out of Panama is gonna be there, it's easier to be watching for it, because these guys may want this, but don't know it gonna be, it could be adding stuff to it -----. Now what we're going to do is get some samples out of this. We already found out who owns the terminal, the dock and what not. We're gonna have a guy that works with two guys, ask some more questions.

1: Using Ballentine's people?

2: Yeah. They're already started. And part of what comes here by truck they understand is that Couples gonna be watching were everything is going. They were watching ah.....

1: The couple you were gonna give the expense to?

2: Well no I've already given expense money to those guys to start with this.

1: OK.

2: This and this. What I want him to do, gave him my credit card, telephone credit card, and said use the phone from here to eternity. --------- rebill me and all that stuff. I said just use my card. And then, don't thing about it as a call, and I am having a new card made special for him. It will be ready within this week. That will be only his card. For everything he's doing for us on this stuff. The telephone is, when he know he doesn't have to rebill it and all that kind of crap, I think he'll be a lot looser.

1: Sure. It's a good move.

2: And everyone of his people will call back to him on that. Now if the guys have to call on their nickel and get reimbursed and all that stuff --------. So I told him that card is his for everything that he does in this area. And first thing he is getting, for example, is what day did this go to dry dock. That famous Galveston and the Baytown. The guy was on it, you

see my guy didn't go to dry dock. He wasn't on before. He just knew it happened. He knew when, because he was off duty, but the ship, when he went off duty weeks ahead of time because the ship went in, one of em was going in.

1: You know I just got, just talked to phone cards. I've got a bunch of MCI cards. Use MCI? You use project codes on those things.

2: Well that's, I don't want to complicate it.

1: OK.

2: Far as I am concerned, ah,

1: You can give 50 of em and give 10 on project code #1....

2: Well, ok, well in this case, ah, guys that call on, same guys, for example the crewmen on this are going to be telling em on what they know what's going on elsewhere.

1: I was just thinking of your expenses. You can group em...

2: Yeah.

1: at the end of the month. They bill you by credit card number. I don't know if AT&T does that, but MCI says these 10 cards....

2: That's why I got my cards. I've got four cards now that, ah,

1: Different numbers?

2: Different numbers.

1: Oh.

2: What that does is, I am giving him, well ---- is using my regular one. That everybody and his brother seems to have. but the, ah, I got a bunch of Aliska people that all have that to. Call other people for me. Network and. But, what he'll be doing, he'll be 1264 number, and that's gonna be his number, everything he's doing here, cause everything he's doing here is for you and anyway. So, and his people will use that card calling him. Also gives me a sense of who's doing what. Sure. Shows up on the card. All the numbers were called, where they were called, etc. I didn't get it for that reason, but anyway it still tells me whats happening. And if any people go wild with it then I can ---- down....

1: Show them....

2: and so he will be, he's got his marching orders right now are.

I'll tell you what I am up to. I want to get you to get your lawyers on this. And to get your lawyers on this they have to fell like something is happening.

1: Oh, yes.

2: So, the first think I am getting is right away is I want to get the two days, the date that this went into dry dock, and the Baytown went into dry dock, ok. What day they went into dry dock, cause that's when this transfer occurred. Gonna have a guy, a guy on each one of these, he's looking for, that he know, he knows there's enough guys on him, and Ballentine knows both these ships, cause he's tied up to em. He's brought cargo to em for Exxon. Knows em well, and knows exactly where, position for me on the map. But he's telling me the same thing I already got from my Captain, so, that's what I would like to hear. He's finding the date the guys who were on board, who's gonna give him a statement. We may not use them, because they're gonna get caught. They were the ones who did the transfer that day. But they are gonna give us the day it happened, what happened, what it went to. So I want to know when this went into dry dock, the Galveston, she transferred her tank cleanings to the Exxon Juno, ok, and the Baytown transfers cleanings to the Exxon Baton Rouge. Well that's easy because I also have from the Alaska side, the day it arrived, with that ballast. And how much it was. Cause that I get from Damron, I get from, ah, Coast Guard, everybody has that. It's spoken record, ok. So then we know that this went into dry dock. I can walk into the Coast Guard. I got a Coast Guard guy way up there. Who will do all the things for me at Coast Guard, and I can go Coast Guard, San Francisco to where my guys get the record she went into dry dock this day, in this dry dock, ok. Then, and I know from crewman, that they transferred to whatever tanker ---- north. Now with that, that day, when I give you that. I expect your lawyers to say, ok we will understand this with you Chuck. And we will make the case that that was so wrong according to, cause I know it's wrong, but your lawyers have to look at it and I can show em it's wrong. But, you know, they got to sit down and start, and say, yeah, your right, holy shit. We really got them by the yeng yang. And Exxon's polluting it's own, it's already peeing in this place, now it's taking a, I mean, crap in this place, now it's taking a little pee in the side. It's working it's way back in. So that to me has a little pizzazz to it, because it's Exxon. Ok. Now your also going to find that, ah, I think your guys would agree that we can go to federal court here in town, in Washington, cause that's where they went to when I made this complaint. They went to the federal court. Never showed them all these articles. And I got that at home for you. But they, Aliska and the taps owners went to federal court, to Johnson or Jackson wherever it was, said to them, hey, you now, ---- guarding this on those days I gave the EPA some documents

belonging to Exxon, BP, Ohio, and Arco in these documents. So they went and tried to get the judge to agree, under freedom of information, I couldn't be covered. EPA would have to give it to them. You know the whole story. They lost all that. But they established a venue as far as I am concerned. That court, on this subject. They picked, not me. I thought I would have to go to Alaska to file suit. A lawyer said try here, but, so they went to this court here to save them some money, cause their guy is here in town. Now, that's to me, I think we can go into that court, using the 60 day notice that's already there ---- joining me together we go in and say, hey your Honor, we're asking for a stay of the issuance of this modification to change, to get Aliska off the hook. Simple. Not a big court suit, but, and the reason your Honor is this is an example of what's happening, and they're not doing it right, they're not ------ they way the operation. When these two ships went up there, there was nothing in their log that shows that they got this crap. It's part of their ballast but it's not registered. So here your Honor, here's the proof ---- proof sir. I'll get somebody who's left these ships. Once we find out the dates and times, then we're gonna find out who's quite and not going back to Exxon.

1: OK.

2: Alright. I'll have it when you need it. ---- the records. Now, then what I like about this. Then we turn around and I have to have little goodies out of this too. I say to your Honor, ah, these people been, ah, trying to get these documents. You said they can't have em. You said it's to protect the guys who gave them to me. Somehow I think these are the people who are picking up my trash, because historically this outfit works for Taps here in town, has a history ---- prove of picking up peoples trash, and all I want is, can we depose ----- Connell, and take away the lawyer client relationship. Are they still trying to get these documents through my trash. If you want to say we can't, we can't, but if we can I would like it, because it's something for me. I've got to have something to in this deal. And then, if nothing else, all I want, even if the judge says that he can't, ------ I want it written up so it's not frivilous. The judge says well you can't or they start arguing. Fine, I don't care how long they argue. But all I want is the Wall Street Journal who begged for this. Then says wait a minute. If it's been talked about in court, Wall Street Journal picks up the phone and calls Exxon, you fucking ----------and BP, Arco and so on. Are you doing this kind of stuff. Remember GM, and so. It puts them behind the 8 ball because for a few bucks I can prove this -----. But I am not spending this kind of money for the moment. Why should I? And by the time I get my money in November, I will spend the money and prove it's them. So, in the mean time, they might as well either admit it or say we're

sorry, we're not gonna do it anymore, which is fine. But I just want it on the table. In a proper way. Meantime who also allege, I will allege, for you, I'll have for you, some information on BP. Some information on Arco. That they're doing the same thing. So that you can, from this stay, perhaps your lawyers will say we can then ask for interrogatories to see how common place is this practice of not registering it, and who says he can't. Do it with interrogatories. Because I am told, each guy I talk to like Ballentine, and the people he's talked to already, and my Captain. They're all saying the, shit, we're doing it all the time. Don't tell me it's not legal. We're told, it's from Alaska. Alaska north ----- crude. What the hells the difference. I mean they are flabergasted. Everybody I've talked to so far says, thats legal, isn't it. They thought they were legal, just didn't want to put it in the log book. Hey, the guy who was sending instruction from BP to the ship owner, the Captain to do it, looked at me at lunch the other day, says Chuck the reason I don't have a good memory I thought it was legal. Even when you were bitchin about it that bad. What the hell.

1: What does your buddy in the EPA say about this, or does he know?

2: Ok. Here what I did finally on that. You know, I love to stick it to EPA, but I can't take down the world. So I called John Han, the attorney at EPA, who did this strange investigation. Said, John, the other day ------ want more time, John. Everybody likes John. And I said, ah, I said here's whats my problems. I said there's something wrong with your investigation, and your not going to tell me Gorby, Russell told you not to go to far. No, Gorby, I can't say Gorby Russell told me not to go to far. He took me off, put me on, took me off, put me on, you know. It dragged out for ever, and I know from a friend of John Hans, John said I am really feeling bad, about Chuck, ----- because I am just enforcing it, tone this thing down, and I can't do it the way I would like to do it. And I have to look at it as a certain focus that I am being forced to take on. So, he's got wife and kids. He's got 15 years or 14 years or whatever the agency ------. I said, John, what did you do. I says ,ah, you know, the guy who sat and watched you -------- Aliska ----- right question whatnot. He said I thought ------ stuff. He says, well I did the best I could, and I said, well what, did you supeona the owners and ask them did they do it? He said, no I didn't. I said, why not? Did you supeona and ask em if they did this kind of things. Well I had no proof that they did it, so, all I did, he says, Chuck, you owe me this much. He says, I want you to know that I personally went over every single ballast walk on every ship that ever went to Aliska. No, shit. John, you told me the crewman's gonna put that on. He said, well nobody told me different. Well, yeah, he wouldn't talk to me, see he couldn't

talk to me. Once they gave him all this his boss wouldn't let him talk to me anymore.

1: He checked this?

2: What he checked was, what they're talking about. This logs, and he looked at every single one of them. Bullshit. He supeonaed those and looked at them. But what the hell he's, or he got em from Aliska and whatnot the Coast Guard. So he never saw. He only saw what they sucked in and what they gave out, and he couldn't find anything added in. He just knew there was something. Because he had these sworn affidavits that I had gave him, that it happened. But, my affidavits were from the receiving end that saw a cable saying that were shipping some shit up to you.

1: Ummm

2: You know, warning them that, your going to have an upset condition. We're shipping up ----------. So, what he couldn't find was anybody bring it or anybody sending it, and when he didn't ask for the cables, I said what did you ask for the cables? How could I. I wouldn't know what cables to ask for. I said, well, you know I was trying to tell you at the time. The cable content was very simple. Well what I wanted him to do is, sure he couldn't.....

1: Cablegrams.

2: Cablegrams to the ship. You know, he would be walking around with 50,000 documents to look at. And thats why he didn't go to that. But I said, John, what I want him to do, but he wouldn't communicate with me or his boss wouldn't either, is I would ask for the calbles only.....

1: Excuse me. Yes..... OK..... Um..... That's fine with me. Tell him we'll.... The most important thing for me to do is that he does the research and, ah, and finish it and we'll authorize overtime. Yeah, ok, thanks.

2: All he had to do was ask the cable traffic from the time the ship leaves Panama to leaving, refueling, ah, Anchorage. And that's where they're told, pick up this other stuff. It's right in there. And your not getting a lot of cables there. But he didn't ask for that. And he didn't ask for the cables, cause he couldn't go through all the cables, he said. So, anyway, that's what my guy was expecting when he came in his office. He was expecting him to say, well let me see the cables, you know, for loading, you know gives instructions to put anything else in there, or anything like that. They would have been bound to give it. Instead, he said, do you do, do you ship, you know, ah, hazardous waste or anything like that.

Do you know of any hazardous waste being shipped up their wrong. The guy was ------ with the lawyer sittin there, I don't know nothin. Do you know anything about ---- now. How do I know. I don't know if it's hazardous waste. He never ran an analysis. You know how lawyers handle that. And that's why his report says he couldn't find anybody. He said to me, Chuck, if you got something, he didn't say bring it to him. No. He knows me well enough. He knows that I don't trust EPA. He'd have to bring that back to Washington with all that stuff. I says, John, I am going to do something about it. And I says, you know, I knew something bothered ----- about it. And he says, I guess you'll be taking some action. Some legal action. I says, yeah. He says, plese don't. It won't hurt me at all, and ah, ----------. Just do it, firstly. Secondly, I said to him, I said, oh, I should have brought a copy of my fax to him. I said, ok, John, what I want from you is this. He had been sick in the hospital, so -------- back in work. I said, John, I want to know what is the statute of limitation on this, because, you know, when you went and investigated you didn't find anything. So, I said I'd like to know where the statute of limitations on this, how far back they go. He said, I don't know maybe 5 years or more. He said, I honestly don't know. He said, I'll look it up. I says, find out for me what is the statute of limitations. How far back can we go? Cause I still got the ones that I still have, when I first talked about it. Now that my guy has quite, I can make a bigger issue of that one. Or the ones that he didn't catch. Then, and at the same time, in my fax to him, I says, I'd like to know the statute of limitations. How far back can we go? And what is the penalty, you know, what is the penalty for this. Reading the NBS permit ----- says it's wrong. They talk about $25,000 a day for each occurrance, or what not.

1: Yeah.

2: That ain't much to me. Cause, each one, but, but, ah, but the practice of doing it. If it's one time shot, but if it's a practice of doing it, what is the penalty under that. It's not 25 a, I think it's 25 a day for every day in between

This transcription is from the Audio Dupe of Video Exhibit 27-1, Side 1:

1: Okay, this works much better, it's a lot more handy, we'll just do a couple of letters; this thing slides out; ah, it's super, it gets out of the way, super... coffee, hot chocolate?

2: Coffee.

1: Let's go. Go hunt for the coffee machine. .. brewed up forever, or what?

1: He has a personality ... he has a personality that's incredible. I notice the way he ah, the way he talked to you that he has a personality.

2: He's gonna grow.

1: He tells us when he misses us, he tells us; when he's upset he tells us.

2: So how was your beginning of the week?

1: Good, ah, interviewing the guy up here to do some work; you ever heard of him, some local, local lawyer? Did some SEC stuff?

2: Is he with a law firm now, or ... ?

1: He's looking. He's looking around. He heard about us in Florida. I'm gonna interview him this afternoon. Talked to him on the phone; sounds real energetic; he was involved in this latest Drexel burning thing.

2: Yep.

1: What's nice about him is that he tells me he doesn't mind going up against the big guys.

2: Oh, okay, I'm following you. I'm missing part of this, that's when he was going to school. '86; he's still a young guy. Who's he work for now.

1: He's clerking for somebody. He's looking.

2: Clerking?

1: He's got a senior counsel securities extension commission. He did it before. Since he put that out, he left that and he's

clerking for a law firm. However, he's not clerking, but you know, like a low lever guy.

2: Why would he have left before he had something that's kind of a mistake?

1: Cutback. These guys, these big firms. Make you a great deal on these sunglasses.

2: Cutback in the government?

1: No, in the ...

2: Why did he leave the government, before this happened?

1: A lot of guys go out, think they can make some money, a big mistake, they loose the job; I did it before, it's difficult; anyway, I work for myself. But, ah, ah, a couple of things; my captain is travelling, and I didn't want to call him until I heard back from the travel department; from my, my contact with them, finally reached last night and said to me that ah, that he had to relax and that he trusted me and so that now I can call in a little more; this is where I go call him up and hone him some more; offer to come back up and see him right away;

2: What did he have to say?

1: You never know. He said he had good vibes and he trusted me.

2: Good.

1: My project for him that I've gotta get done which is,.... I'm finding some guys who are working on the Exxon and Exxon Mining Ships, there are two of them; ... and the other one is ..... and I guess they refused to be served now, and ah, and ah, I went another route, non-Exxon route, in fact, to my guy Balentine in Seattle, and we'll know soon the recruitment on that; and I'm getting some data as to how bad it is from each of these guys; that it's just safety problem things; an accident ready to happen; undermanded identical to the influence and report; same human beings; it's the three breaks, first, second, third periods, who are working crazy hours taking the ore off the Alaskan tankers, itself, laundering them, and as they finish laundering them, they immediately went to port themselves. See, they're inhuman all the time. A tank is going to Alaska, leaves Alaska, has the first, second, third man out there _____, watching the ship sail down the coast, taking their turn to rig out the ores and what not out of the stores, taking their turns, except when they ___ in San Francisco. Then, they have to repair, hours before they hit the dock, get everything ready. Just with four hours or no sleep,

get ready to move. They hit the dock, with a few hours of sleep and then they have to get in there and start rolling. And then, ah, closing up, leaving, so you got crazy hours. Get a little sleep on the way back up. And you got 6, 7, 8, 10 days off ... - anyway. So you get your rest and you start off again. But you're not allowed to do any repair work or maintenance work; this is all those cutbacks, okay. Picture that kind of, kind of arrangement, that kind of crew, suddenly become a laundering(?) ship where coffee's just being poured all the time, what they're getting, you're getting out. You get enough and you're just on constant duty. Normal wages, nothing going in, very tired and dangerous operation, and remember what happened. And you have to do things that you shouldn't do anyway; for example, as far as these guys down in the engine room, or what not, you're not moving anyway for a while, so what the hell's the difference; except with the engine; that happens to make it work; she wasn't moving; she wasn't anchored; so there was a problem in the engine room; something went array; and a couple of guys happened to be down there doing something else; doing maintenance work, and off she went. Ah, the safety aspect--play it back just a minute--now, Mr. George Miller just passed that new legislature, I think about the Task Force, and he got wiped from under the shipping area because the maritime committee said that's our bailiwick and they just cut it out as a favor to the Exxon article. So, what I'm working out, it may not work out but I think he'll do it, I think he'll be tickled pink with it, it turns out that their laundering is going in, the Exxon laundering by coincidence, is going on outside of his district, a little bit, down the bay a little bit, but the boats doesn't come into his district, the two boats, the Exxon Refinery is in his district, and ah, he's being accused of hitting too hard at Exxon, etc., etc. So he makes; I just can't hit that hard; he's up to his ears in two other things, I've checked. He's got two major things coming up. Major hearings before he comes on the session here. He's campaigning in his district.

2: Ah - huh.

1: And my plan, my suggestion to him is that he bring?

(Telephone rings)

1: Hello.

Yes, okay, thanks.

Hold on. Go ahead.

3: How are you doing?

1: Good.

3: Is everything okay?

1: Yeah, fine.

3: Just calling to let you know that we got a continuance in the California Park case until October 1st.

1: Really. What, did the Judge's chambers call?

3: Yes, sir.

1: Thanks. Would you call the lawyers on the case?

3: Sure will.

1: Thanks, Jen.

3: Okay. Bye.

1: Okay, that's great.

2: Got good news for you?

1: Yeah, let me just jot this down. .... I got to take a ___ while I think of it. Yagidson Don Crutcher (?).

2: Um, huh.

1: He has a permit in Alaska?

2: Yep.

1: And is it your _____, that he has a permit?

2: Um, huh.

1: Okay, so what I can do is that I've got a guy up there, ah, who worked for EPA for many years, a great gentleman, and he teaches at the University however, he got kicked out of the SEC, he got kicked out because he accidentally tripped across the _____ big scandal----- and he wasn't supposed to; it wasn't in his district, or what not. He didn't check with the district boss who was involved in the scandal. So the present SEC commission just took away his desk along with everything else and also as part of his problems, they figured he worked with me, but it turns out he wasn't. It doesn't matter but we knew what he knew and he knew I knew but it's one of those things. Anyway, he's running his own little environmental group that he's set up because he tried to work for a Custom for Alaska Energy scene and ah, each one the DEC commission picked up the phone and said "talk to ___, we got a code, talk to members of the board, don't talk to _____, as a favor to me". Because

if he got in any of those organizations he would show them how bad the DEC is Aliask and the oil companies. They got a little understanding between the DEC Commission and the oil companies. They hit you hard here; they hit you hard there; we gotta show 'em something. Each company gets hit a little bit in one little area; and that goes real bad. Anyway, what he did is he started his own little operation; he suffered a great deal; and strangely enough; when the Exxon Valdez occurred; his resume was out all over the place; private companies; he was at the university at the time; Vico hired an outfit to come in and help them plan how to clean up the beach; the outfit showed up with him as head of the team. Twenty-five people worked for him planning to clean up; how to clean up; I haven't seen him secretly--we got a fishing boat, I mean a little sail boat we go meet on; like the Wall Street Journal; and I haven't seen him prior to .. it's the funniest thing in the world. Anyway, things being like they were, maybe he worked overtime, like the other stuff. They didn't take his advice. They didn't do it that way at all. They cut everything he wanted. They cut back by four anyway. The funny thing is he made a lot of money which he needed badly and he got his act together. And then he took months off, and went to get away from everybody; he just got back. What he does is he forms these little, every time there's a group of citizens that has a problem, pollution problem, there's a law, and EPA deal where he puts together for them the package where he asks EPA for money up in the Alaska and that area for $3,000 per group and he gives them the three grand, he shows them how to get their own three grand, and he supplies the crew of experts and they go clean up; and they obtain from the gas, etc., companies. It's a fun thing, he's forming his own environmental group or board so he's doing his own little environmental thing. And you'll like him and he's very knowledgeable.

2: Yeah, I'd like to meet him.

1: And, I think he'll be a vehicle for you for some things. In the meantime, what I'd like to do is I'd like to call him up. He doesn't charge much at all. I've paid him for stuff I've had him do up in Fairbanks for me. He doesn't charge a lot. What I'd like him to do is one, go find and get this Dunn & Krutcher thing right away, that new ES group. Speaking of which, those things, those internal legal documents that was from them and from some of those other people were great.

2: Good deal.

1: Those are just exactly what we needed. It's always good to go find him, get sum Dunn & Krutcher submissions; and speed up the permits; that's eight NBS permits that I've heard about up there in the last few weekends . . . and trustees and so ah, if he goes out there, let me know, and that kind of stuff.

2: What's his name?

1: Carl Ehlert.

2. Ask him to give me a call, too, I want to talk to him.

1: In fact, what I'll do, I'll talk to him first and then you can go ahead and call him, you do it, rather than go in through me. Tell him what you're looking for 'cause it may be more than one, all I know is that it was one.

2: Where's he located?

1: Anchorage.

He's working for an outfit right now, as an expert. So he can't get his phone calls there. If they knew he was doing this kind of stuff they'd go bananas, too. But if you'll go get that for a moment I can assure you and some of the things he's doing up there, you may just have a problem with anyway.

Speaking of that stuff up there, have you heard anything about those, about us?

2: Nope.

1: Yeah, oh, Nope, and I've shoot, last time I talked to the gal, she's on the inside where she would know.

She is, ah, a friend of hers is in the Lakeland area and tells her what's going on. And all I told her to do is to let you know ahead of time. Let you know that the Legal Department is looking into the Aculate Group. What they'd like to do. Who was the Acculate Group, what was the Acculate Group all about? Because I know you guys are looking into it. Put it that way. What's the purpose. So, ah, remember to do that. That's the Aliask Group.

Tell me about Aliask. I understand the way they work that they're this management company and this service company that runs the pipeline for these other people we talk about Exxon ships and things like that. Do we have anything that we can file on them. It seem like its the head of the triangle there. Is there anything, do we have any kind of nastiness going on with these guys that we can prove?

2: Well, yesterday -- this was -- I didn't even bother reading it all cause it was read to me on the phone and when it comes in I never bother reading. This came out, yeah, here's the front page ok. Yesterdays Anchors Daily News, yeah. Ok, what's today -- I got this yesterday. Two people called this in to

me. What Exxon is trying to say is they are trying to separate the shipping department from Corporate USA. It's just a stand alone company over there, and, for the indictment that --- good thing to talk about. One of the things that we would be doing if we are successful in the Florida Keys thing, is we'd, we shown it isn't no hands off. The USA Refinery Department is handing off water diesel contaminated crap to the ships and say get rid of it for us, so who runs who. From your point of view, who's running who? Isn't the ships running the refinery - get rid of this for me, it's the reverse. So, I don't know where it fits, that, but I just thought it would be cute.

1: Yeah. Yeah.

2: Just, I don't know how you get it to fit, that, but I thought it was cute anyway. If you don't have a use for it when we do something in the Florida Keys -- and the Attorney Generals office would have fun with it -- Justice Department, I don't trust em here to the wall. They are, they have a problem. They've been covering up for years for not covering up and this ---- been told to leave things alone (unintelligible). So, and now unfortunately this Iraqy thing, ah, the outcome they'll have a field day in Alaska with editorials and stuff everyday about, ah, ah, we need the oil there for --- wait, I'll tell you one thing, I do have a fax --- they don't tell you about the time but it would be in my own newspaper the next day or too. I get these every, it just take me a week later to get it.

1: Yeah. So we --- the Anchorage Newspaper.

2: We at times could not get the Daily News, I've stopped gettin the Times. You know who owns the Times?

1: No.

2: The Times belongs to Exxon and Arco. They bought it right after its built. You remember the company Beco?

1: Yeah.

2: They cleaned up the spill.

1: They bought the newspaper?

2: Beco bought the newspaper. They own -- the Times, Times used to be the biggest newspaper there, now its not. He's doing a good job. He's spending millions and millions and bring in some top talent to revitalize and regain its readership. It use to be the top --- you read in here about Carl Godstein the second largest employer of Alaska. Who --- after Arco and were two buddies and sold out for $300,000,000, and they put it, started with Quansit Hut, ah, grocery store, and a little

wholesale grocer, and, two guys, and they just sold out up there for $300,000,000, and they're keeping most their business, just selling their grocery business for $300,000,000; but I'd say they started out a husband and wife both husband and wife, I mean they were just scrounging day to day. Some good things happen in life. Ah, so I don't know what ----- I'll get that in the mail. And you'll get that, the same thing will be in your newspaper in a couple of days, Wednesdays paper, ah, so I will call Carl Owen (?) and get you together with him. And get some stuff going. Ah, the Aliask --. The Florida Keys, ah, Bill --- the newspaper that I told him that you were around and that you and I were just going to talk and that the, that the I commit that on this, on whatever he's contributed to, which is anything to do with Exxon he's contributing, cause he's leading me to other people. To corroborate everything I'm getting. Ah, that we were to make sure that he get ---- our scoop. I told him ---- of the way I could see it going is ah, you know you all have press conferences and whatnot, but people scoop all the time, background, so you --- background ---- because first of all he's going to give us some of that information. Some call he can make that I can't. You guys should talk to him not to me, but he'll corroborating things that are important to us. What he would do is, is ---- I can see for example if you were to file an action and dump in the court at 10:05 in the evening and if it closes at 5:00 and you call him up and say it's in, and he prints the story and if it comes out during the night in the Boston Globe and where he knows he's got an advance copy of what we're going to be saying -- draft, and he adds to what you got, cause he's going to have guys who are going to corroborate to what you can't get to and I can't get to, because I just can't, and you could, and you get to him to use him then ------ or not, but his can't be. Apparently they just can't ---- touch,

1: First amendment.

2: and that makes your thing flop up cause everyone in the press is going to come to see your press conference the next day and chase around trying to figure our where the hell these guys are that the Globe had to try to find there own, or at least talk to the ones that you had, but anyway I think it's real good, I think from his point of view the secondary articles everythingelse that happens after that so be it, but he'll have a, it's his thing between with him between him and Exxon. This guys an Exxon, so he liked that. His problem was we were supposed to work yesterday, and he called me yesterday and said that the we were going to do a conference call with a couple of guys he put me together with that would talk to me, and I could ---- New York ---- drive up and see them. One's in New Jersey and one's in New Hampshire somewhere, and he call yesterday and he got caught in this military call-up ------.

1: Yeah

2: So these are the Florida Keys people. Both Florida Keys and the waste products going to Aliask, but I got off on a tangent here. On George Miller BEEP! BEEP!, Jesus!

1: That's all right, excuse me --- fine---alright --- good --- really --- no kidding --- well isn't that special ---- No this is no big thing in fact I've got somebody in the office who we'll need. I'am here fcr awhile, we'll just continue to talk and just give me a buzz in a couple of hours. Bye. Go ahead. Sorry.

2: So, if it works right what Miller will be doing is he'll take John Balentine my expert in Seattle who is ------- International Union, ah, Safety Officer and ----- ships for them besides being a mate himself and a bosun before that. He knows the ship from the bough up. Bosun runs everything below the base. He runs the crew and guys etc. So, ah, what we will be doing, in other words during the campaign. As the boat arrives in Venetia right in his district, the guy is totally exhausted because ----- trip will be following crewmen ---- aboard who are going to be involved. When that boat arrives I know he's going to arrange with the Coast Guard that he just want to look at things for the Coast Guard in his district. That makes a lot of sense. He has the Coast Guard cutter their and, ah, he'll plan his timing so he gets top of the ------ Coast Guard boat same time the Venetia's coming up to the dock, and, ah, so let's get on that ship, I mean the tanker's coming up to the Venetia refinery. So lets get on that ship and do the Coast Guard thing, well, hell, they're going to be docking, so that's no big deal. The tug boats are pushing her in, and all that stuff. They'll get on he'll walk around and he'll be told ahead of time with this expert with him, Ballentine, what to look at. He'll go see some things that are eye openers. How come, why, and this and that etc. Exxon will no they've been setup, but so what. And what we're gonna do is know the crew on that day will be the people involved. It's kind of real cute.

1: You mean we're gonna use Miller on another ship?

2: I'am going to talk people that I have something coming in, and the whole thing is if Miller could say, hey, I can't hit Exxon anymore I am not a politician. So he may say, hey Chuck, do it some other way.

1: I can't hit Exxon on any more because

2: You never know. Where if he starts making excuses then I know to well, that oh, oh, he's a friend of Exxon right now, I don't blame him, he's got to stay at home. So, hopefully if doesn't

do it we have some other way of doin it. Best this is the best way. I owe everything ---- by letting my deal with him has always been give him a shot, if he doesn't want it, we'll both decide who else is going to do it instead of him. It could be environmental groups that comes in and hits them or whatever. But see, the Coast Guard, as you know is crooked so can't depend on the main part of this. So what he'll do is just start it and by the time that thing docks, you know, he'll have a beeper or one of his assistants gonna be his pressman and have a beeper, oh shoot I gotta go something, something just come up. However you gonna put Balentine on his payroll at a $1 a year. I mean ---- use to run senate office I was turned down say, hey, way back when.

1: Yeah

2: Chris Dodds father, I use to do juvenile delinquency stuff. We use to do investigations ----------. So, put a guy on for a $1 and he become, he becomes,

1: So Miller would put,

2: put Ballentine on his payroll for a buck and he then becomes a committee and staff member on the investigation that he still, on going investigation of the Exxon Valdez, and Millers argument is he want to know the whole transportation system. So, he's gonna catch him now ---- he can't go to Maryland and catch him doing something wrong, or Louisiana. He's got to be, I mean it had to be, when I first talked about this, I can't touch that Florida Keys thing. That's OK. The way I started wiggling around maybe there's something in California, Wham-o, and hit California, that not only hit San Francisco, but hit his district, and the particular stuff I am askin about is going right into, and the Exxon guys that are communicating with me. This is their bitch. That's why they first came to me. If you think the Exxon Valdez is bad we're gonna do another one. Because they're making us do the same circumstance, everythings the same.

1: Unbelievable.

2: So we don't have a radioman, all that kind of stuff. So from Miller's point of view if he flys with this we're going to have a field day cause he's got to leave. So he leaves this committee expert onboard, with the Coast Guard guy and the Coast Guard guy, you know, they're all alike. I don't say nothing but if you show it to me and I got a Congressman in his district, OK I see it.

1: So this committee expert is really going to be Ballentine, you guy?

2: I know.

1: And Exxon

2: He has no money for this. I mean he has I, I, hey, between you and me. I flew the Chief Counsel for Alaska to Aliask at my expense.

1: The Chief Counsel for who?

2: Miller. His Chief Counsel. Miller's office, his committee has no money. Udall keeps things .... no money.

1: Oh, this is this guy Jeff....

2: Jeff Petrick.

1: Petrick. You flew him up their?

2: I paid for everything. Well you know why. What happened. That lead up to his big air pollution thing thats going on that they've been polluting their people everyone, every Aliask employee has a mask....

1: Yeah. Yeah.

2: because their polluting.

1: But Exxon..... But Miller's been a thorn in Exxon's side. And Exxon knows that Miller's gettin the scoop from you.

2: Well they know that all along. Oh! The President of Aliask has called all employees, your talking about 1,600 employees, into conference, where he has them go to seminars. Changes shifts so he goes on the Valdez on a two day period, so there's a morning shift, night shift, a new morning shift, a new night shift over several day at pump station 12. I think it took him four days to do this. All the shifts at pump station 12. He's running around in circles, there's a whole pipeline. The second time he meets his employees, ever, ------ but the first time was only that whatever ship he came through on. Now the first time he ever met all his employees was about 4 months ago, something, 3 months ago. He meets them for the first time since November and he say's, "All right, I want you to know that Congressman George Miller is out to shut the pipeline down. He wants to destroy us." And all these people, now you have to be talking to a moron for the moron to believe you. Cause the thinking guy will say wait a minute, most of them don't know where Miller comes from. They don't know that Venetia refinery. The two refineries in his district, that without Alaska crude oil, his San Francisco people will have no gas. Oakland and San Francisco, NO GAS! I mean he shut that pipeline down and he'll be out of office in one hour. They'll impeach the sucker. But they don't know that. So

they're being told this guy, George Miller, is a bad guy, cause they no that I got people feeding stuff to me that filled Miller. Thats all the employees know. That's a known thing. So, he says now he wants to do this at the behest of Chuck Hamil. Oh, you know I'd never want to quote that, bit my tongue. No, I got oil up their. You know. We just ----- want to pay ya. Oh, that's one thing. But then on the pollution side of things I am known for ------ on pollution. So, all I want is clean up their act. Then I ain't got nothing to bitch about. But the employees would be safer, everything gonna be, saftey in cleaning up their act, they won't be drinking benzine, you know, fine. So. But he says. He's doing this at the behest of Chuck Hamil. And he says, and I want you to know, and he's walking up and down the podium, I've been in Washington, and I've seen Chuck Hamil and George Miller holding hands together in the quarters on two occasions. This is the President of Aliask.

1: The VP.

2: Expert.

1: VP wheel.

2: No. OK. ---- ships. I get, get my phone calls from your ships. So then he says, now, here's my problem. And he says, as you all know Hamil has a number of informants in Aliask up and down the pipeline, and you can't imagine want it is for me, President of the company. I hear that Hamil is complaining about this incident or that incident. And invariably he'll go oh shoot I'll know sooner or later, because he always knows before me, and then boom, I find out it happen again. He said we can't run the pipeline this way. Now what he's telling, I know what he's up to. The guys got all kinds of problems in this world. What the hell is he going meeting all his employees and that's a major part, major topic. Why. He wants his employees to grab, find out who the hell my informants are.

1: And who is this? The present President.

2: The present President of Aliask. You know, the President of Aliask Pipeline. Eight oil companies have pipelines, and he runs it for them. So, to me, this is the same guy who's ---- my trash. But anyway. This guy, he's British, and he's British American or whatever, but he goes the British way. They don't follow our laws very much. And I've got him on perjury, and on pollution, and perjury in the Congress. I am putting out a newsletter. I've shown you their newsletter called the Insider. I finally decided to do my thing. I am putting out the Outsider. I've got a duplicate of their's, except different color, mines green, their's is red. And I am going to send out, I've got all the address of both

1: You showed me those the other day.

2: Well, I am going to start sending out the Outsider, and all I am doing in that is, is pointing out their testimony in Congress on behalf of their leader, speaking on behalf of them, and here's what he said. And did he speak the truth on our behalf, you be the judge. Committed perjury. Try and get the judge to do something ----- but get their own employees and _____ I get a whole bunch of perjury things. If the employees would just look at and say holy shit.

1: Like what? What's he, what's he....

2: Oh, I'll get to that ----- day. Just to show you what kind of things they're gonna do. This what they put out against me.

1: You showed me that, OK.

2: Now, I am gonna get this reproduced and part of my newsletter, and send it back to them and remind them, because now this is not only outdated. They wished to hell they never put this stuff out. Because this is..... That's the one where it said that they would a that they would a shipping hazardous wastes to California and sending it North, that article, that they all say and the company made a big deal off of it. They didn't mention that in this. ---- you the picture.

1: This is a -------- article?

2: Yeah.

1: Aliask is accused of dumping waste ---- Valdez.

2: That's where they are sending the stuff up. I am going to be filing ----- and I hope you are following suit. So when I filed the suit I send him this. I said, remember, you know

1: Unreal. You gotta be able to prove that stuff so you know we need like I said I want to be real aggressive on that. If they're sending waste back up to Valdez, lets get some warm bodies in here....

2: Well, let me tell you. I can't make one mistake mind you. So when we do this you'll have everything you need, I wouldn't be going. Because I've already been through the ringer on this. ----- articles on that subject.

1: OK. So, anyway ----- what Miller would be doing is, he'll identify while Congress is still in session, its important to me. Before Congress goes out. He can come back to Washington and raise hell on the floor get something on the Congressional Record, holy mackerel, you wouldn't believe wants going on, and



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try to tack on to some bill an extension of his task force going south. They took away the shipping part of it. The task force can only do an audit down to the terminal. And what he wants is an article all the way to California. And so for Oregon, Washington state, and California's benefit, you now, the ships aren't working right, something horrible can happen. Well if this is done right, and he gets this incredible, I mean, ah, Coast Guard has to agree to his experts identifying all these terrible things that are going on, on the ship, an accident waiting to happen. Then he turns around and makes some noise in Washington, and says, I want to add on to one of the bills going by an extension of that audit to include the ships. Can you see Exxon coming in and bitching to him, and fighting him. Can you see any members telling em they're against that, cause he's become sort of a name in this thing. They were against him saying its none of his business ---- not the Merchant Marine. Now it comes out its in his report. No ships. Your in control he has ---- report, is to add that --- its not a big deal. If he doesn't pull it off. I don't know George Miller. I can see him pull it off. And then you know are Congress says, if you pull something like that off, the White House, you know you opposition, its you bill it's your thing. The White House has to let you have a little scoocum on that. So thats what I am saying about some of the people named to the committee -- to the commission and he'll have some say of, and any time he doesn't like what the commission is doing, this task force, he can hold a hearing against it. He will have a field day, and it's what he wants. So, I am sure he'll pull this off unless he for whatever reason politically decides he wants to back off on Exxon. And if he does we'll bring some other vehicle to do it.

1: If he doesn't back off Exxon will have a heart attack?

2: Well, it's gonna hurt em. They'll know it's me ---- . I think I told you when the Vice President of Exxon, their top lobbyist, a guy here in town ----- to Rauls. When Rauls first testified in Congress that first day over Exxon Valdez. ------ when they were trying to leave. It's like a stumbling effect. They were trying to leave and the new people were trying to take their place in the seats couldn't move because the Vice President stops Kathy on his way, she was in the front row, and he stops everything, pulls her out of her chair and he gives her a big hug and turns around and says to Raul ------- I want you to meet the wife of your worst enemy. They said who. Chuck ------ shake hands with Kathy and laughed. Meanwhile everybody is stumbling into everyone, nobody can move, the Congress or the Senate I forget the Senate, they're all waiting for this crowd to move out and they don't seem to be moving out. They're talking to Kathy. So they no me real well. I tell you, very well ------ for American. Ah, So this ... the San Francisco ---- I need that something whatever, if I don't

do it with Miller, I am going to do it somebody, because that's my commitment to the Exxon crews. If they help me on everything else, this is what they want. I mean ----- they're afraid of them cause they're going to loss licenses if they get caught having done it. So, if they gettin caught with our EPA shipments by Exxon the north, they don't care about that, because they won't get in trouble with that. They didn't know they were doing something wrong, in terms of the proper thing to do. So that's why all of them are speaking up now. So that ---- up to something, its a ringer I got to get that done for the guys to get everything else we want ---- from them. And the same guys are going to be giving us what we want on how bad Mr. Rauls lied about the quantities and ah, and ah, Exxon Valdez spill. And you know there might be a suit there. If Exxon apparently collected ah, they get a tax deduction for all their costs up there....

1: Ah ha.

2: the two billion they're spending apparently is a tax deduction for them. And, and part of their statement is that they lost 10.8 billion and they want ------, and they achieve X percent --------.

1: And if it's a big lie, what are their statements?

2: Ah, and it was 20 so they didn't recover as much as they said. So some of their statement is lying. I don't know how you do it, but you go in and say, hey, wait a minute you can't run around gettin tax deduction by lying. You can get your tax deductions for what you did, but don't lie about it. I don't know, it's just an idea.

1: OK

2: I've got an expert at Harvard University Law Department ---- great ----- who calls me all the time on this kind of stuff. He said he would research everything in the law for me in that so we could just run with it. If it makes sense when the time comes. So, but the guy ---- from the Exxon crews, they don't care about that subject. I mean, so, they don't mind helping us but they don't want to get caught in it. Ok, so that's why I got to spend time on the San Francisco -------, but it also doesn't hurt for Miller, cause another good deed for Miller when we're doing our things I can tell you, Boston Globe will be talking Miller and the days he puts something in court, ah, the Boston Globe article the next morning is going to say Miller said Miller said Miller said, which is what makes articles, and then the rest of the press picks up because --- go back to Miller and get something new from him. OK, Florida Keys, ah, this is going to be pretty tricky because, ah, I am gonna see a guy who quite, who was on that route, who's going

to be supposedly my vehicle. He doesn't know it, but he's gonna, he knows only the ------ etc, etc. I got to get him to agree to be the vehicle for us, out front. Everybody else could be through the Boston Globe or secretly ---- to you or something provide some kind of thing where they won't get caught, that they can't be supeona'd, and, ah they can be supeona'd, all of them want to be supeona'd .....

1: Very funny.

2: as long as you don't supeona one guy saying ----- setup. But if you do a across the board supeona for all of them, they're all looking forward. And it's not that many, and I'll tell you why. Your talking two ships, four officers, and a pump man, thats five, ah, with the ------- that's ten. Ten or twenty guys plus a couple more alternates. Twenty-four guys is not a lot ---- and then in the --------- and his deputies, so your talking thirty guys, but almost, from what I can tell you could almost do interrogatories, if you have the right questions the guys are gonna, yeah I know. And the thing that they would need is before they get hit with supeona interrogatories, is some kind of a blanket pardon or something from the court, that even though they did anything lack, that they had to do it for their jobs, and ah, boy that's difficult, see, I'll tell you what our priorities are in any of these cases and ------ the crewmen. Now Iorowsky and his people at the refinery who made them do it, are the responsible guys.

1: Yeah. I'll tell you what our priorities are. First priority is if there is any collusion going on, we want to get there, like, if you can tell that tomorrow morning at 9 o'clock in San Francisco somebody is doing something bad, I want to get their film and stop it. The second thing is before we hire a lawyer, file any kind of action, or do anything like that. We need to be able to go in their in good faith, and be able to prove ---- I need somebody to say, Yeah, I am Chuck Hamil and I was on this ship, and we dumped these barrel over before.....

This transcription is from the Audio Dupe of Video Exhibit 27-1, Side 2:

2: Yeah, I got that one guy.

1: OK. That's the guy I want. Once we file that complaint, then with that affidavit we find out who the injured party is, the State of Florida, who ever it is, we file that complaint. Then we have the authority to issue supeonas ------- depose people. We can depose the bad guys. They can depose our witnesses.

2: But how do you protect the guys, these 22 guys, from the future, the Coast Guard will go after them and take their license away.

1: The only way to protect them is to, for us to protect them, and we can't give them immunity and I don't know if even a judge in a civil case can give immunity from the criminal, from any criminal prosecution, but what we can say is that these are the guys that came forward to help us against personal....

2: But they can't do that. If they come forward they're going to loose their jobs at Exxon.

1: Somebody has to come forward.

2: I got the one guy.

1: The one guy. So we get an affidavit from him.

2: Right.

1: We attach his affidavit to a complaint....

2: Right.

1: and we follow. This is on the, on this, just so I am clear, this is the barrels deal thats stopped.

2: Barrels and also the liquid where they, I mean the gunk they threw the stuff out besides the barrels.

1: So this is over.

2: It's over.

1: It's over.

2: Since November.

1: Alright, since November. So that's the one you wanted to do this year. I am ready to meet with this guy tomorrow, I mean,

you tell me where he is and we'll go meet wherever....

2: No, but that's not the problem. The problem is the Captain. One of the Captain's is my source here, and he was one of those four who devised how to do this. How to do the water part, the dewatering and dropping product overboard...

1: Oh, your guy is one of the guys that devised it.

2: Well he had to --- of a job.

1: OK. Well, the guy that wants to come forward. We need to chat with him and see.....

2: The guy that comes forward is just bitchin about Exxon was on that crew. So he doesn't even know about this. He knows what he did, but he doesn't know that, that I have the Captain. He doesn't know that, that about the Captain-------

1: And who are they employed by? All these names.

2: All Exxon except the one thats been coming forward that has come forward already to the Boston Globe and said you know he's pissed off everything. Ah, whos quite. He not going to see anymore. He doesn't care.

1: He was employed by Exxon?

2: Was employed by Exxon, was on this crew, knows about it, one of the crewmen doing it; but, ah, but my problem is the Captain brought this to my attention is scared the bejesus of the whole thing because he will be, he's got a family, he'll be without a license the rest of his life.

1: Well, that's something that everybody has to consider if the guy, I mean once we start this snowball it's going to turn in an avalanche, hopefully, and you know the reason to file the action is to bring it to people attention, to put a stop to it, to make sure it doesn't happen again, and to make somebody pay for it. So, we need the first guy. Will you source, the Captain, get in the cloud of a fall out? That's possible.

2: Then we can't do anything. Cause the Coast Guard doesn't even know we're coming to em, and it's the Captain ---- give me his name.

1: Well tell the Captain, look, here's what may happen.

2: He's got, what about his wife, what about his kids.

1: I mean I don't know how to protect him.

2: Then I can't do anything. Because, ah, it's not only him. There's ---- about 20 guys involved in this thing. They'd have no jobs if they didn't do it.

1: Was he ordered to do it?

2: Well, they call it ordered to do it. Because they were, ah, if they, the way they described it to me, if they didn't solve the problem then the system is you get forgottn on shore, the next go around. Everything to do with the system is if you don't solve their problems, then they don't call you back for a long while.

1: Was there any other way to dispose of this stuff?

2: Yeah. It was supposed to be dewater before it got on board. The refinery's not supposed to be sending water with the, the refinery not supposed to be send barrels with --- that go where. They just put it on board and you got to loose it for em.

1: So the Captain and three other Captains devised a way to dump it.

2: Ah. Dumped it, the Captains and the, and the mates.

1: Devised a way to get of it?

2: Well, yeah, dump em overboard.

1: And they dumped it overboard?

2: And, and, and, dewater dumped product overboard in order to dewater every trip.

1: OK.

2: And so you'll know what dewatering means. This water is highly contaminated with benzine, this is what this ----- is all about. So your dumping all this benzine - tylene- and xylene overboard. Up and down the keys every four days.

1: In how many feet of water? How far out?

2: Ah, well hell, when they go by, when they go by Sailfish Point they're right off the water, I mean I just look at em --- there.

1: Their in the stream? Up at Sailfish, but in the Keys, you know they need to go further out?

2: Yeah.

1: But can you tell us what depth the water is?

2: How far off you mean?

1: He would know. He's in the lanes.

2: Yeah. Your in the lanes and because they want to do it in the lanes. What ships gonna be blamed on it, but the barrels are going off at the same time.

1: Boy, I can't tell you that bends me out of shape, being a diver down there

2: I know it bends you out of shape, but you know, these guys have family, and your at sea, and you do what you do, what you gotta do, or you don't have a job.

1: Why would the Captain refer us to the other guy, knowing that if the other guy talks, he may be in a jam?

2: Oh, that was the understanding I made with him. ----- very gracefully. You see, here's my problem. When I met with him I knew he was very knowledgeable in this area, cause he was the one who told my mutual friend he hated doing the suckers. He wished ---- thats the kind of fucking company he had to work for over there. He was bitchin about what they did wrong. I just, you know, ------- I use to live down there to. But anyway, so, when I talked to him he knew what I what I am talking about the subject. He wanted to talk about what I, you know, the firing thing, the EPA stuff that was shipped to Valdez. He said we did some terrible things but there's only two ships around the clock and only so many guys, and he's one of them. And he was one of those that devised the system, just fuck it, they tell us we got to do something with it. But, what the hell we gonna do with it. So dump it overboard is what they wanted, obviously. They put these barrels on it they don't want to take it off ---- the argument is, you know, do something with em. Don't tell me. Just do something with them. You do. Otherwise, you know, you don't come back. So, ah, he just didn't want to talk to us, thats why I wanted to know how his ---- were when I said, look, how about if I get, I said I know there is one guy who is on those crews with you whos quite. And he said I think I know who your talking about. And he says north of here, and I says yeah. I said he could tell me. If he wants he could come forward. He says yeah. He says the problem, Chuck, if you go to him with this, and he comes back and the whole things on the dock, the Coast Guard is gonna come in and lift the license, and lift the license of all of us for having done it. It's against the law. We did it. And, ah, but if we didn't do it we didn't have a job, you know. Around Robin. So I said what I've got to do is, the lawyer that I find have got to find a way to protect you guys

from the Coast Guard, because even if they get immunity, well you know, Exxon will leave them on the back of the list, because they got to many crewmen, officers, first of all. Secondly, ah, the Coast Guard will know who they are, and they'll get em. The first opportunity, because the Coast Guard works for Exxon in the respect, you know.

1: Yeah. Let me tell you about immunity. Immunity is a thing from the criminal prosecution that the Coast Guard's interested in. Immunity is the thing that can only be granted by a prosecutor, or a prosecutorial authority, like the State Attorney or the ------, and the people they grant immunity to are the people come in, in these cases and say, look here's the deal; and I am only going to give you this information if you give me immunity. So, if people can't make cases by any other means then they use these people that are immunized. So, there's no way that this guy that wants to be a good citizen that comes forward and talks to us, there's no way we can get immunity for somebody that doesn't want to talk that did it. So, that would be like us being a third party, saying you know in the old mob days the guy that's talking is the guy that collects money and he's gonna give, and we want give Santos Trafacante immunity, ah, as a result of talking to the loan collector, it's just not going to work. It's not going to work.

2: Look at this. What we're talking about is we don't know yet if it's Federal or State, right. What is the State Prosecutor, what's state orders down there.

1: Well generally the state controls, you know, three miles, ---- oh yeah ---- that's fine ---- I'll be ready in just a couple minutes with that ---- thanks.

2: You gotta go somewhere.

1: No. No. There gonna give me a buzz here in a couple of minutes.

2: Ok. Well what we'll do is get more information on this and seeing how it could be done. I could see if it's federal, if, or in state, if you, if the guy who ----- do the affidavit. Cause he won't screw all his friends either. He'd rather forget the world to than screw the, I mean, first of all it's very dangerous. Somebody's going to get you for this.

1: Yeah, yeah.

2: I met a guy on the ship who ----- the pollution thing the Coast Guard wouldn't do anything about. He kept talking to the mates about it. Finally the mate came to see the guy, and the guy said I am sorry, I apologize, and the Coast Guard said you

withdrawing your complaint, yeah. So, this is dangerous stuff. And the guy was on shore never to go to sea again, but they came and saw him. And said, hey, you know, why did you say that. So we'll leave that on the table because I'll just, I'll get what I can, but you, but if the information is good enough, and it was good enough, and it was good enough, what you might do is say, alright, to the guy, I'll, we'll go to the Federal Prosecutors or whatever and ah, or whatever we're gonna do with this.....

1: Yeah we still need the guys affidavit.

2: He'll have the affidavit, number one; and the understanding that the you will depose the key officers and crew, the key officers of this thing and each one, I don't know, would be given ah, we would ask that each one be given immunity, ah, for his testimony.

1: We can ask. We can ask but, see, if, if, it all depend on what everybody says it

2: ----- if its good enough stuff you can walk over the Justice Department and say we're gonna file here you suckers. Will you give these guys immunity, if not, we'll drop the damn thing and you need this affidavit, you won't see it again, that's the end of it.

1: Yeah. Well the Justice Department can say, wrong, give me the affidavit and then leave me.

2: I know the Justice Department and Exxon don't want to do anything.

1: OK. Well.

2: --------- I took the risk, but....

1: All I want you to know is that Wayne Jenkins wants to do something with this. I don't wanna let it slide.

2: But, but, but I do to but.....

1: Consistent with what you want to do

2: But, but, the Captain who brought it to my attention, ah, if he's gonna get hurt I just can't let it go by.

1: Yeah.

2: If he gets hurt it's a bunch of other guys with him. All family men that are going to get hurt with him. Exxon has a surplus of these Captains and Mates and they'd like to clean

shop this way anyway, suckers, real honest let em do it. But there are other ways of using this. If push comes to shove, we'll use an affidavit against Exxon. And if so ----------we could walk up to them and say, hey, here's what the deal is. We got all this, this and that and if you agree to, just like the Hudson River one, here's a suit ready to be made. If you agree to come forward and make you arrangement of cleaning up and making damages, I mean, accepting the responsibility of the thing. I mean you did it what not. Then we won't go to court against you. We do the same as the Hudson River one go public on it and that will be the end of it, and we'll get the Justice Department to agree to sign off on it. There's a lot of way of doing it. When I get enough data that shows you that this is unbelievable and it's worth spending some time on how to solve the problem for humans.

1: What can we do.....

2: and that would be an ----- matter.

1: What can we do about anything, is there anything going on right now, right now that we know of we can stop?

2: Yes. This is only some of the articles. Ah.....

1: Those people going down to Mexico, by the way, on that other thing....

2: OK. Yeah, thats started, and ah, it starts with the Wall Street Journal. Lets get to my part about my --------- you'll find in there immediately starts with the people started giving testimony about..... Wall Street Journal 85 --------- oilgram business, not telegram. Having to do with oil, price of oil everyday, every oil guy, president of every oil company reads it. ---------- its a daily ---- memo --------

1: George Nelson, Who's he?

2: President of Aliska.

1: At the time?

2: Yeah.

1: Oh yeah this is his, I think I know if you showed me this but I saw this in background this article I didn't know, I didn't put em together this March 20, 1985 article.

2: There out of order, but anyway. This gives you a little bit to start with.

1: Why did you.....Oh, here it is...

2: This what..... now we start with this. That's where we are. OK. This is you, oil ---- charges toxic waste water dumped at Valdez.

1: Right.

2: You see why ---- shipping stuff up from California. This is dated 3/26/85.

1: And you think they are still doin it?

2: I know they're doin it. Shit, you know, I want you get a flavor for -------- how much press was on this thing. And those suckers are so damn.....

1: Chuck, if they doin let ------ in.... you know

2: Pictures speak louder than words. Lets tape a god damn movie of em. Bear in mind when your reading all this, separately I am hitting, it's not in these articles, the ------ treatment plant is unable to handle, it overloaded, it's not able to handle what's coming through. So Benzene, Tylene, Thylene and Napthlene is going into the drink. So, if any thing, ah, anything additional going in can't handle, if it's chemicals it's even worse it's a separator. So in that it's still being argued about now and their still trying to negotiate how they're going to upgrade the system to cope with just the ballast water of the ships which I'll show you in the permit, is water from California or Oregon, whatever, and the clingage of the oil in the ship. Nothing additional can go in the system or what not.

1: OK.

2: Alright, let me read through these first samples. Got to get a ------ for ----- a lot more articles ------ give you the area we're going into.

1: OK.

2: This looks like his personal file here.

1: Anchorage Daily News articles. He's got his handwriting on it 3/26/85....

2: Mostly about, you know, news clips, Wall Street Journal marked 28, 1985, news clips involving pictures of him. Here's Fairbanks Daily News ----- April, that's March 28, 1985 and June article. Here's some other articles and, about his allegations. Looks like March of 85, April of 85, April of 85, Oilgram of April 10, 1985. Looks like in just these personal files. I am trying to get em to come forward and tell me

something that's going on right now with Aliska. We're trying to pin him in to giving me anything concrete that we can do something about. If's there's some pollution ------ right now. Vern give me a call please, on 330, extension 330.

1: Now would be a good time to change the tape if you need to. Oh, do you. OK. No.

2: Yeah I understand. What I told him before you didn't know about the background. It goes along with what I ---- in the background. I told him we did three years of law school or something. So thats easy. I had to do that also just to let you know what the story was.

1: Slow speed or high speed with these things. How many tapes you got.

2: OK we're on the first, we're on the first.

1: And the sounds OK?

2: I sort of whisper some times. Yeah, you just let it roll, right.

1: Alright, sir, thank you. Talk to you later. I don't know ---- makes the line the one next door.

2: Is that Marine Marketing?

1: Yeah, yeah let me shut the door.

2: See that carpet in there that he has.

1: No.

2: It's beautiful. He's gonna.... We won't get eight ships that are ready on military ------ transport service. Eight ships. There loaded with tanks now on route to Saudi Arabia. What we in Saudi Arabia are no tanks. We don't have tanks there. Those guys got 500, I mean tanks on the border. We got personal carriers that you see on TV. But it takes one C5A to move one tank. ---- must ----- air fuel all the way. So you got eight ships period, and what we're trying to do is we got a whole bunch of old ships that were mothballed. You what it is to take a an old ship out of mothballs and let go to ----. It costs you more, they can buy some foreign flag ships call them American and sail tomorrow morning.

1: Did you ever see those ships, where is that, out west, out in California. Down by Seal Beach.

2: Mothball fleet out their.

1: It's frightening.

2: Frightening because they aren't usable. They just been..... It's supposed to be waster -----, but as usual, you know the guys have got the job to do, don't care.....

1: Well here's the, this paragraph jumps, it's just beaming in red. Ah, your, your lawyer Mason's allegation, ah, talks about there's more water in the oil that has been reported in the past and more than we believe is being recorded now, Mason said. It has to go into the tankers or into the Bay. We think more of it is going into the Bay.

2: That's the continuing argument about the --- whole think.

1: Yeah.

2: Whats got to get you is this. You gone through this?

1: Yes.

2: OK. In here you saw one article, separate from me, --- the State of Alaska. One that had the Supreme Court. To keep ships from dumping their ballast off shore.

1: Umm uh.

2: OK. So they got to go somewhere with it. ---- bring it to Alaska. ----- effort try think ---- it didn't work out. Nobody came to see her.

1: Oh yeah, this what we did.

2: I know. But she had done that five years earlier. This didn't work for us either. But she, everybody, she been a ------ I - ---- my hotel, she was her's. She kept saying, anybody keep people coming tell me that. I'd go see her and get caught over there, and tell her this. But the, ah, one of the things that your gonna find that we accuse them all the way though here of shipping, tank cleanings from other ships. They did an investigation and ----------. Now, this is out of here. This is -----. They said, hey, we're gonna make some modifications to the, and they asked if I wanted to make comments ------ so I caught them by accident. The night before it was due. The night it was due --------- questioning. OK this is ------ Permiller.

1: Ummm

2: Aliska request ------ modify ------. See, he requested, Aliska requested these modifications. This is the DEC -----. The EPA saying, you excepted those modifications, however, we can't

just give it to them. We got to go through ----------
401 certifications -----. So, you got to do a 401 certification. OK. That's being done now. That'll be another month or so before it's done. These are the proposed modifications. The one we're interested in is this one. ------ page is here.

1: OK.

2: What you see underlined is the new modification, before, ah, they were to determine whether ballast water was contaminated with pollutants.

1: OK. So your saying. For each tanker contaminated with pollutants other than crude oil the ------ shell one, examined the oil record book, two, obtaining ---------- as ballast water survey form contains specific information. OK. If the ballast water survey form indicate that the ballast water contains substances other than crude oil, these shall be identified and the vol unit known certified ------ these are your.....

2: This is their's. This is what they want.....

1: This is you....

2: I am complaining about this.

1: OK.

2: The reason is. What they're saying is, up until this time. They're supposed to count on check find of the crap going in, because they can't handle anything.

1: OK.

2: And guess what. They're saying, they want to modify in order to determine ballast water survey form stand out like a red balloon. Which, what happens is the survey form doesn't say anything. What it says is how much ballast water they took on when. Each time they sucked in some ballast water. The ship is like this. It's got a little pipe underneath, that sucks in ballast water.

1: Right.

2: And every time you suck it in you mark it in your log book. And you not allow to discharge the whole route. So, of course, by this law ---- Supreme Court, ah, so when you arrive at the discharge port your allowed to get rid of your segregated ballast that's clean. Segregated ballast is a separate compartments in your tanker which is what the new double bow is going to be. It's all going to be segregated ballast. So you don't have to put any dirty water into your ballast and into

your tanks and then get em back up again to be cleaned. If you whole ship is loaded with double ----- and double size, double hull, those compartments will be full of water now for ballast. And when you get near your port of discharge you just dump it in the water, it's water from California dumped in Valdez Harbor. It's perfectly clean. OK. Now, because they don't have enough segregated ballast to their ships they have to take out for storms and whatnot, additional water to maintain their stability. They put it in the old tank that still has residue in it. The residue is a clingage. And that's the ballast water treatment plant when he gets to the terminal, you got your survey report, and you look at it, he took on 50 barrels here and put 5,000 barrels outside San Francisco harbor, and so on, all the way up. And if he hits the gulf of Alaska and it look real stormy ahead, suck in some more. All that's in the log book. And it shows it he ever let any out again at sea. You got to show it. That's the protection the government has. Now when he gets to Aliska, they have all these totals and thats what they suck in, that's what they except, from the ship, into the ballast water treatment plant. Separate the water from the oil, water goes into the bay, the oil goes into the tank lines. OK. Now, they don't, the crewmen doesn't put in their that, incidently, the company ------- along side a barge and put 2,0000 barrels oily waste into the bilge water. It just doesn't get registered. Because from their point of view it's not ballast, it's just, it could have been the cargo whole, it doesn't come in the ballast, ballast is brought in by special pipe.

1: Where's it go?

2: What?

1: Once they put it in, where's it go?

2: It gets diluted with the ballast water to be disposed of at the terminal. OK. Here a picture of the pipe right here. It sucks in ballast water to all these tanks. OK. This is a fuel tank. Now, it sucks in and it adds water to each tank cause you can't have it just a certain tank ------. OK. And that sucks in and that is logged in. Coming in, coming in, coming in you got a total, total of what is discharged at Aliska as ballast water, ok. That's the form that they read. Now my whole argument is they use to transfer, when a tanker goes to dry dock you got a vapor, devaporize the entire tanker, and lets say over here is a slot ------------ engine room, chemicals, paint, -------- this is garbage now, liquid.

1: OK.

2: OK. And so when you are going to, if you have a problem ---- tanker ------- got to be worked on, you clean it with certain

chemicals and that goes to ---------- get dumped overboard. All that is ---------- you could have 5 or 6 thousand barrels ----- waste. Now, on you way to dry dock, you tank clean the clingage, everything, rust everything that you dream of could have vapors of oil under the rust and scales and whatnot. You have certain types equipment, of liquids, like we use at home. Soapy product that will clean all this out like you wouldn't believe. There's nothing left but bare metal to go into, no vapors no nothing, to go into the dry dock. You have to survey every ----------. Ok, now, you keep, as you keep cleaning you work your way back to the stuff, this is clean, this is clean, this is clean, and finally it all goes into the slop tank.

1: This is while you underway?

2: No, at the end of, when you get to ah, to the last terminal where you discharge everything. Now you can stay at that dock, clean all this up, clean all this, put it inside the terminal.

1: As your supposed to.

2: Supposed to. Or you do it on the way to dry dock. When you get all into the slop tank, and one extra tank to hold all this shit. ------ one tank, and you work you way into all this ok, you got ---------- and you got it all in these two tanks. And when you get to dry dock, the dry company will go by the barge. Empty all this out, clean this out into the barge and the dry dock company charges you so much per barrel.

1: Like Cralys.

2: No, no, Cralys is a tugboat company. A dry dock is Oregons. It's a big huge dry dock in Oregon for example.

1: OK.

2: They'll charge you, lets say, I don't know what. I know that some certain thing is $1,800.00 a barrel, depending on what the stuff is. So they'll do an analysis of it and they'll charge you, reclaimer, charge you. They'll squeeze the water out and they'll something called ------ what not. So --------- is big money. Your talking about 3, 4, 5 thousand barrels of this stuff. Big money.

1: At $1,800 a barrel.

2: Well, it can be. I don't know what this slops running for. I know you got stuff in Alaska you what to send back, the only place you can do it is in Oregon. You can't dispose of hazardous waste in Alaska. Depending on what they do analysis it can go up to $1,800 ----------. Ok, PCB's, a little bit of PCB's

in it then its, the whole thing is $1,800 because of what they have to do with it. Now, when you've done that, ah, normally, in the case of the Exxon, after it was built, the Galveston and the Baytown, the two ----- ships they've had sitting in San Francisco Harbor, both of them last year, after the Exxon Valdez, last year they had to go to dry dock. Both of them did this cleaning, and one of the ships, the tankers coming by, from Exxon on the way to Alaska, pulled up along side, a ship that just got through ------ in fact, ------ to em earlier. On the way back now to discharge their cargo, on their way back to Alaska, they come along side and they tie up, and this is all pumped into that ballast water in the North bound ship ---- the ballast water. Ah, diluted. You talked about gunk, crap, shit, you know. It's all dumped into there. The North bound ship gets it to Aliska as part of its ballast water. OK. Now, when you read this your gonna find whats going on here, that, that description of ballast water, ballast water is, water from the river, ocean, or whatever. It's clean water added to the ship to maintain stability. And when it gets to Aliska it also has, inside that ship that got caught, you know, all the waste from oily clingage coming down, period. That's all ballast water is. If you looked at the whole history of this thing. It's to protect the bay and Aliska, and, and Valdez. Now, you also find in here, because of me, because I caught Aliska and there big tank farm up in Aliska..... where's that nice little brochure? This is our ballast water tanks, on the ships.

1: Umm uh

2: Here are these huge tanks. ----- tanks. And then it goes to recovered crude tanks, and then it goes to these, dissolve ---- - floatation chambers, bubbles and kick up more, any oil particles, and then it goes down to these impound bases for about 8 to 10 hours, then it finally goes into the drink, ok. Now, this ballast water, that's all it supposed to be, however, the water problem you heard about from me because of my bitching, the owners have said, if they're caught taking oil straight off the pipe when they have no choice, they have to take it right to the tanker. Any time oil is also coming to their tanker from the tank farm, since the oil water separates in 6 hours, every owner then said I'll never take any from your tank farm until you show me your water drawn. Because of so much water. And so, the water that they draw they can't put in the bay this time. That's the time in LA when horrible things happen. So Aliska was running it through ballast water. While the government said, what the hell, we got to leave it there. It's not ballast water, but we've got to live with it, ok. The problem was, these tanks are huge, they're half a million barrels each. These two together are a million barrels, ok. They acquire crud at the bottom of the tanks. Here's you tank, at the bottom is this hole, crud accumulates all around, heavy, heavy curd and heavy metals and all kind of shit. It just doesn't

flow good. The paraffins etc. So, Aliska started way back when, they got no propellers inside this thing, and they start blending this stuff around and just cough up this crap so that when they water draw, this crud goes out with it. Ballast water. ----- got the ship, it's no good for ballast water, right. You find all through are documents for years ---- bitches that ballast water system is not sufficient, incomplete it's not doing the job, they're still negotiating using lawyers. Why they haven't gotten around to it. They're still negotiating what they'll they do to make it better, cost effective, and all that kind of crap. So, in the mean time, when I catch them with this stuff, they also get ------- liquid condensate from this vapor recovery system. They're sending that to ballast water. Cause it's cheaper. What they should do is use it. It's fuel. Use it as fuel. But they don't want to stop. Everything is gravity flow, don't get involved, trying to save a dime here, oil doesn't cost us much anyway we can loose it, ok. So I catch em at this and I pass it on to EPA. So they issue a compliance order, and it's in here. It's in the new permit as well. Compliance order which I can get you, cost of the new permit. It says, you can't, ah, it's right here, ah. They hid your ballast water ----- harbor rivers seawater added to tankers cargo tanks ---------- . They can't be added crap to it. Over here, the waste water treated containing ..... If the permit drew up the water crude oil storage tank with the purpose of treating the water, ballast water treatment facility. Tank ----- should be conducted in accordance ..... visible oil or emulsion should not be transferred with BWT. In other words you got to drain it. As soon as it get discolored, any , turn it off. Because it used to bring all that shit down. You can't do that because your upsetting the system, and you'll find all these other things that you can't do. You can't have cleanings from the pigs. Scraper pigs that come down the pipeline.

1: Yeah.

2: A lot of cork comes down with that. You can't have that go in the ballast water, ok. Well if you can't have that, what are you doing with all this stuff out of California, that by law in California, when it hits shore, it's an EPA hazardous waste, and it's got to be cradle to grave. Instead they don't hit shore with it. In this one instance, they did hit shore in another instance, but this one for Exxon, what they did is they moved it from ship in the harbor. Two ships going to Alaska so that it goes up....

1: On these barges your telling me.

2: From the huge tank of the Baytown which is used as a lottering ship and the Galveston which is a monster barge lottering ship.

There cleanings is diluted with, ah, ballast water going north, but it's not registered. Now if it was registered, Aliska could not accept. But Aliska and APA, nobodies looking for it, and they are trying to amend the present permit, modify it, so that they are not responsible. The way it was set up, if somebody does what I am talking about, It's not Aliska's responsibility..

1: Because it's not registered.

2: It's not registered.

1: But what's happening is. Does Aliska even know about it?

2: Well Aliska knows about it on a number of occasions because it sucks up their apple cart. When it gets to be a lot of crud, and my employees say it really upsets the system, and they've got to putz with it.

1: So you got guys here, that are telling you what's going on?

2: Well, that, over the past years. Lately I don't have anyone in that department. They've really cleaned house on me. But, the point is. The permitees of this pipeline, up until recently, they also changed the permitees on me, so, only Aliska

AUDIO DUPE OF VIDEO EXHIBIT 28 (TAPE SIDE 28-1)

ch: Ray Nye had nothing to do with this. Ray Nye is air quality. This is water.

wb: OK. But does he know this stuff?

ch: Ray Nye is like ...unintelligible...that's the way EPA works. This is mine. This is yours. If John Hund knew about this, he's just the attorney, he'd have to take it to the new head of EPA who is just EPA in Region 10. She's a former attorney for AirWest here in Washington. She is just moving into Seattle momentarily. There is a temporary head sent from Washington because the prior head was relieved of his duties for helping Aliaska and Bunker Hill, two outfits, the atomic energy plant.

wb: Really?

ch: Oh, yeah. He's been relieved. ...unintelligible...The inspector general got so many complaints from employees after the Exxon Valdez; everything started with Exxon Valdez, I'll tell you. You know, EPA started waking up about things and so the inspector general had so many complaints and the deputy director quit and went to the IG. They all went to the IG and said we'll be running a bookwork operation and everything that we find wrong. The head of EPA says, anybody dead? anybody die? any dead fish? dead animal? Show me a dead animal, a dead person, I'll do something. Then he sent back the memo. Whatever. It was terrible. So then, Bunker Hill, had sick people. They were hiding their radiation effects on people. And that's what he got fired over. Because then he was covering up because he couldn't find dead people, they were only sick. Show me some dead people, a dead animal. And then, on Aliaska, he was protecting Aliaska as well, so and now Aliaska went sour; everybody went bitching to the IG. And so the IG confronted him with all these bitches and what they were going to do and he quit that afternoon and then they sent a temporary guy out of Washington. When Dunn arrived, he just told everybody, you know, sorry, Washington wants to make it up to you. So what did he do wrong and what did they want to clean up? And everybody came up with this is what I wanted to do. OK, go do it right now. OK, I had to go do it. Everybody go do your thing. And we'll leave it alone. And Washington will back you up on everything. So that everybody got clobbered out there who were going sailing high and all of a sudden like Aliaska and whatnot and all of them were in deep trouble. But this new gal is a backed political appointee and she's supposed to have her wings of her own in another three weeks to a month. Dunn's coming home. And she's going to take over. So, if you were go give something to her now, Dunn wouldn't do anything with it. Because he is going out. And

she's a political appointee; she's got to look at it, what's it all about, she's going to be up to here in her job, she wouldn't do any unneccessary

wb: Oh I understand. I was just

ch: John Hund said if we come out and we do a legal action; if we do, he doesn't know it that I have, he thinks I am going to come in with a big suit. Which is fine. I want him to think that. But if I come in and just say "stay". "Don't issue it" because it puts the onus on them. Overnight, they've got to go find out what is going on. This time, they are going to have to do it right because they can't afford wrong twice. So we won't have to do a hell of a lot. If we don't want to. Once we've hung them, photographs and that kind of stuff. Look, what I am telling Valentine is, get his guys and we may have to pay for a trip for him to go down. Where he would get his guys and book it straight, you know which local place to go rent a video and go rent it one day and try it out.

wb: Well, we've got people that will do that.

ch: I know, but by the time you get the people there, I want to be there the minute the guy knows that that barge is over there, get their ass over there with a video and start videoing.

wb: If I get a telephone call, I can have people over there in four or five hours.

ch: You've got guys out there at the coast?

wb: Oh yeah. Hell, yeah.

ch: So then what we would do then is, we will tell you where the locations are that we are going to want done and when they will call you or them or whatever, and they will grab those guys and get them out there by boat or

wb: I'll put one of my guys with them. We'll see, he picks the place, we'll meet them. I'm real concerned about, I mean, the historical stuff is great hosing on paper but I want to make sure that we stop what's going on. I don't want to let anything else happen, you know, that's ongoing. You know what I mean?

ch: The day you do that, and we get a stay and whatnot, it will stop happening that day. And that's why I agree that while we're, what I want is for your guys to be preparing that stay and we won't use it until we do a photograph. I agree that that's, it would have gone quicker but I agree that we catch them in the act one time and that ship's on its way to Alaska with that shit in it and then that's when we hit them with

video, photographs, whatever. Then, but in the meantime, I want to get it ready so that the day we get, it only takes 6,7,8 days to get to Alaska, you want to go in with that thing before it gets to Alaska. If your lawyers say, "I've got to study this and understand this", oh, no,

wb: Even if they do say that, at the same time, we need to put them on notice that

ch: But if your guys understand all this shit well, then their stay is a hell of a lot stronger. They can say, "this is what they've done, this is how Exxon is polluting itself". In other words, when you do this, and you catch it on its way, you also got the big highlighter here that Exxon did it and was polluting its own area that it was trying to clean up. I mean, they're just killing some more fish.

wb: It could be rude.

ch: The history is there. You know if it was just something that was happening and they were arguing, what's it gonna hurt, what's it gonna hurt, its all, the history is there. Then I get Rickie Ott, who just got off the boat last night, and she's a sediment toxicologist, Dr. Rickie Ott, an official woman, board of U.S.A. and all that kind of stuff,

wb: Yeah, you told me.

ch: And Oil Reform Alliance, president. And she's going to be calling in tonight and she'll be ready with a statement for our friend up in Boston, it'll be a quote. She's becoming an expert on ballast water. And she has been making a lot of complaints about it. And she put in comments trying to stop some of these modifications. So she'll say the Oil Reform Alliance, and she's also on a technical advisory group now to the E.P.A. D.E.C. for ballast water. That was my idea way back when. A citizens advisory group. Well, she's on a technical advisory group. And she'll say this is absurd, I mean, what the hell is going on?

wb: Doesn't anybody take any water samples in the bay there or in the water outside the ballast water treatment plant?

ch: Yeah. Its self-monitoring. It always has been. Very well.

wb: If they are dumping these chemicals, can't somebody just go out there?

ch: But see, you have to know what you're looking for. If you were to take a sample, and not know what you are looking for, there's a certain test to run for PCB's, and a certain test for heavy metals and whatnot. When you dilute it, for

example, you are going to find as Valentine has been saying, there are times these ships haven't been carrying any dirty ballast and live only on their clean ballast and the weather is perfect all the way up and they've got this enormous amount of water. Why? He, independent of me, found out that, well, he knew that something was wrong from, this time Baker told him that I was bitching about that. So he started looking into these ballast reports and says, wait a minute, why do those ships show up there with all this ballast, dirty ballast, when all prior trips and after trips has had segregated ballast. See, when you get there, you dump your segregated ballast and you start loading on arrival. You dump it in the ocean as you're going in, the tugs are pushing you on and you're just dumping it, because its clean, segregated ballast. But your dirty ballast, you got to hook up to shore, you got to wait, and your ship's gotta pump that stuff off in 12 hours, 15 hours, whatever time it takes, depending on how many barrels you got. When you are finished, you got to lock up everything, repipe it, rechange it, so now you're gonna receive. So the whole thing is, a supertanker costs a fortune, right? Every minute counts. So you never want any dirty ballast if you can get by with it, but the captain makes that decision. And if he's coming through the Gulf of Alaska and the weather is going to be bad, he's sucks in a lot of dirty ballast to make it through there.

wb: Sure.

ch: But when you've looked like Valentine, who's job used to be, he didn't know why this was going on because he was a bosun, he used to get all that stuff done for them, and he starts wondering as he is telling me, "I'll be damned, now I know what you are talking about. I didn't know why we took dirty ballast on way the hell back." You know. And mix this shit with it, so they're sitting in the harbor and they are taking on ballast way back in the beginning of the trip, crap coming on board from a barge. You've got to dilute the stuff, you can't just let it sit on the bottom and then you can't get it out the other end. You've got to spread it out so it stays a little diluted, otherwise it just would be a pile of sludge. You see, its really sludge, what he's sending up. There's a thing for you, its really sludge. Sludge has everything, heavy metals. If you do a product tanker, you've got lead and everything else in it.

wb: Sludge?

ch: Sludge. S-L-U-D-G-E.

wb: Yeah. Yeah, I know, alright.

ch: And in this thing you'll find because of me that I accuse them

of the ballast water treatment plant taking its sludge and putting it back through the front end. And I caught them at that. And they were issued a compliance order to stop doing that. Because when you keep putting through, finally, it dilutes out. And the dilution of the solution is the pollution. And they argue, you see in newspaper articles, that the thing against me is, that they just happen to have a good plant and don't compare with other plants because they just happen to have a plant that doesn't accumulate sludge. They do such a great job. A great job of what, you know? How do you not have sludge? Because in the total suspended solids, you keep it floating around so much, that you have a high total suspended solids. In Southerville, Scotland, the water has to go through sand. The sand filters catches all suspended solids, but then they've got a big problem. They've got a lot of shit in the open sludge. But Aliaska has no sludge. It has no sand filter. And it is part of the total suspended solids and it just goes into the drink. And a big part of that is napthemine, and napthemine, that'll eat the fish, but anyway, another story. So anyway, what I want is for, I'm going to photocopy this back to back for you, and I'm going to give somebody compliance orders and the original crap and you get your lawyers looking at those points.

wb: I'll have Sherry photocopy that and give it back to you.

ch: OK, if you want. And then ask her to make two copies, one that is not back to back, so its easier to work with. I'll do that part and you get your lawyers to start looking at

wb: This will give them the background.

ch: I've got more to give you as far as the judge's involvement, the federal court involvement, the, it ought to keep us busy for awhile. In the meantime, as a side issue, I will work some kind of a thing in on the Florida Keys that if worst comes to worst, if we can't go to court on it, then we can confront Exxon on it as equilib. And say, Exxon, what do you want to do about this? We put sworn testimony, Exxon, here's sworn testimony, one of your people, I won't give you the names involved, Exxon, but this is what I'm going to do. I'm going to do something about it.

wb: And you let me know if you need another check.

ch: What is your schedule? When are you leaving?

wb: Hell, I'm waiting here this afternoon. I may run out, I may leave this afternoon and come back Monday. I am waiting to hear what goes on. I got a couple of things going.

ch: Yeah, I'll put a package together and get Sherry to send it to

you or fax to you or whatever that compliments this for your people. And they can have a list that gives them an idea of, there's a lot more articles, but that gives you an idea. There's 160 articles in this period.

wb: When are you going to do your mailing to everybody?

ch: I'm just working on that now. I got last night a computer rich team over to set my computer up for us to put all those names and addresses of every employee that we have on Aliaska. There's a lot more. But we got a lot of them; enough for me to make the mailing.

wb: Do you think they are going to correspond with you? As a result of this?

ch: No. I'm not asking them to but my postal box is there. I'm changing my postal box from me to the outsider. And if they want to communicate with me, but I'm also going to put my 800 number.

wb: I was going to say, feel free to use our address if you want, they can send you mail in care of us.

ch: Well, they don't know who you are.

wb: But if you want to be associated with us for the purpose like you said of getting,

ch: Well, that will let in with what to do about it. Well, right now, and I told three people from Aliaska yesterday of the outsider. All three of them were just flabergasted. Chuck Hamel, I want you to know that every guy I know in Aliaska will be looking forward to your outsider more than the insider. They just, all three of them just went through the ceiling. It's going to be a very simple number to flush this stuff out.

wb: How are you getting this mailing list?

ch: I already got the mailing list.

wb: Well, you showed me that. But how do you get an accurate mailing list?

ch: Well, this was done for the union that tried to unionize them. And so I got, I don't have a complete mailing list, but I got, in fact, guys who are pro-Aliaska are not on this mailing list. But I don't care if they are pro or not, what I understand will happen is, anything like this happens, there's always these guys at the shop who put it on the bulletin board right away. Anything like this. For your thing, from when

you put your thing, I mean, the guys were playing around with it, it was on the bulletin board. So, those who didn't get it in their car that day, on the next shift, and every time the company pulls it down, somebody else puts it back up. And then the guys just take it and photocopy it for themselves. I mean, its the funniest thing in the world, this operation is unbelievable. So, what I'm told is, every employee will know about it. Especially since I'm going to their homes. Now, I have a list of all the employees that come to the back of the insider for their 10th anniversary, new hires, I really have every employee if I took the time, its in small print, to do something with it. But even putting it through scanning it would be too hard to work with unless, when I look at what you're doing, is blowing it up and then scanning it.

wb: If you blow it up, we'll scan it and we can make labels.

ch: Well, I've got one of those label set-ups now where I put it in and then it alphabetizes them, but the problem with those is that I'd have to mail it in care of Aliaska, each one. And I don't want to send anything care of Aliaska. See, the list that I have, the old list that I have, every week in The Insider, people who were hired, changed position, and all that kind of stuff, the list is like a track, everybody could have access if I wanted to, but it just says where they are, pump station eight, or headquarters.

wb: That list that you showed me,

ch: That I'm putting in the computer and Kathy is beginning to type them in and that is going to be with the system I have, a letter writing system with photomask or whatever, and then just push a button and put them in alphabetical order, press a button and do labels only or envelopes only, and then I can have information on each one of them, like I can have the phone number of each one of them and a postal box. And those that I don't, I'm going to put in and have them separate. Separate until I can get the information. Now yesterday I get a new guy who quit. Its a funny deal. A guy that sent a message through a mutual friend probably eight months ago. The guy was paranoid as hell; he was just so scared. And he sent me photographs that didn't come out. He had taken photographs in the terminal and he was afraid he would get caught with them, gave them to Hurd, a roll of miniature camera jobs and whatnot, and there just wasn't enough light.

wb: What's he taking photographs of?

ch: Well, it turns out that he found, according to him, and he thinks they are going to kill him and all that shit, so I never called because a guy that thinks Aliaska is monitoring his phones and he can't call me from his home, he can't call

me at my home, he is afraid they want to kill him, he's scared to death. I need to initiate contact with that man like I need a hole in the head. Because if something happens to him, I've got another burden and I got that guy that committed suicide.

wb: Do you think its real or is he paranoid?

ch: Paranoid. But that's alright. But that's why we're all here. Because I don't need that burden either. I got enough problems in my life. If I was the company, it would be different, you know. So what I did was, I got the film and I sent the message back that it didn't come out but he was going to be, I gave him a way for him to call me if he wanted to, and I got up to Alaska and what I should have done was contact my friend and have dinner with my friend in Anchorage and say, hey, I could have said, hey, I want to see the guy, I'll drive down the parkway and meet him somewhere. I got so afraid that I would not initiate it until he came back to me; I just told it that way. Well, it turns out he quit.

wb: When did he quit?

ch: His last day was yesterday. And he was scared to death. He was afraid something was going to happen to him; he's leaving for Thailand. So, his girlfriend or wife is in Thailand. And he's got retirement. He'll live off the retirement in Thailand like a, but the guy, uh, he's going to take two weeks to sell his house or more by the time he finds a buyer and all that kind of stuff and make arrangements to sell it, so, when I called him the other night, he was sleeping. And he was going on shift later, but he had an unlisted number, it took me from the time he quit a week ago it took me a week to find his number. I found his number and called him and he said he would be glad to talk to me. Go to his office, yesterday was his last day on the job, and I gave him my 800 number for him to call me or I call him back. And he says, you know Mr. Hamel, you'd be surprised how many friends you have inside of Aliaska. You just don't know. Everybody is afraid to contact you. So, that just gooses me up every time. What he did was, he found his maintenance, he knows everything about everything because he is a maintenance guy they use all over the place, very capable maintenance guy. So he's all over the place and maintenance hears everything, sees everything, and he does their dirty work for them. So, he found out that the tank farm was ...unintelligible...and they're running another tank here somewhere and he found this pump, and he has to maintain that pump. They were going to take water, that water that I talked about, and they were going to order the tanker to pour it back into the tank again. Shit, they do this kind of stuff. Someday, I'll convince you of this, but anyway, so I'm not surprised, anybody else would say, come on

wb: Pump water into the oil tank?

ch: Yeah. Because they are vaporizing so much, they are losing so much along the pipeline, plus they use some to fuel themselves, that they have three refineries along the pipeline, pump stations. They refine fuel oil for themselves. Guess what? They don't measure in and out. And I never knew that. I always figured they had meters on that shit. Well, one of the guys that runs one of those things like that; they become a new source and they talk. But he runs to my source earlier on for a different reason. I don't ask any questions because then he gets in trouble. I'm very fine about that; I don't let anybody get hurt on my account; I just can't carry them. I never asked him, I met with him secretly and I just let him say what he wants to say and I never asked him for anything because I just won't. He gets through with me, he says, Chuck, he says, with this new thing that they are talking about, here's what they're doing, they're vaporizing and they're doing these terrible things. Oh, yeah, there's something that I've got to talk to you about. I've got one Ray and I got picked up that you could get into real quick and we'd have a lot of fun; Ray would love it.

wb: OK.

ch: Rather than Ray doing something about it, we would go in and make a complaint and then he would immediately do something about it. So, he tells me this at the pump station, at the refineries, they don't measure any amount. I just couldn't believe it. Because I knew they were cheating with water because they sell it so they make up what they lose in vapor, you know there's twice the Exxon Valdez every year that is lost in vapor just at the shipboarding. Plus the tank farm. Plus the whole pipeline is leaking like a sieve on vapors, just leaking like you wouldn't believe. Because they are injecting natural gas liquids and butane wants to get out; it wasn't designed to have butan so the butane wants to get out at every spot. Which the employees hate because they drink that shit, benzene. So, he said, this is over eight months ago, he coaxes me into the water, he wants to know and if you look at anything, my whole history is water. And Aliaska is cheating on water, so the guy has really got my heart so I figure I'll just wait him out or I'll never get him but I will not start something with him. But now that he quit, I called him. But what he was telling me in the photographs he was sending is he was working on the pump that would pump the damn water back. And he started checking by the amount of the pump that the pump can pump, so many gallons an hour and whatnot, he started figuring out how much they were pumping back into the tank. You thought they were broke? And he wrote to the president of Aliaska. And told them that this is going on. So George Nelson contacted Bakkus in New York Abuse; that's

when he started realizing that he had his ass in a sling.

wb: Is this what he took a picture of?

ch: Yeah. It didn't come out. But I've still got the film and the filmstrip; who knows, maybe somebody can enhance it or whatever, but the main thing is as long as he was in there, he couldn't do much about it anyway. Well now that he kept threatening to quit, I checked him out right away and one of my people said the guy is nutty as a fruitcake. He's paranoid; he thinks they are going to hurt him and whatnot. OK, that's his business. But he also likes little girls. Oh, shit. And he boasts about little girls in Thailand, he's got a young girl who is his sort of wife over there and he plays and they just ... young girls all the time. They've got pictures of them. All these young girls. Oh, shit.

wb: You mean, like, pornographic pictures of him and young girls?

ch: Yeah. No, nude young girls. But this is Thailand, Taiwan, Korea and a bunch of guys from Aliaska live in the Far East on their time off. But hey, you're talking about, when I said morons, you're talking about okies who now go to Alaska, who used to make $15,000 a year on the pipeline and whatnot down here, they go up and work for Aliaska since day one, and they earn eighty, ninety thousand dollars. And they're on two weeks, off two weeks. Hunt, fish, whatever life you lead, but these guys who will never make that money again, and they're fully vested after 10 years, and they'll sell their soul for anything for Aliaska. So guys like that who get divorced, they hear from the other guys about the Far East. So they take their two month vacation; what they do is they work extra hours; you work and stay on, instead of two weeks on and two weeks off, you stay for a lot longer, then you got four or five weeks a year vacation anyway coming from them plus you get overtime, not overtime, but you work a whole bunch of weeks, (break in tape), and they go over to wherever they want to live and that's the life they lead, that's their business. But I don't want him as a witness, anyway, but I don't need him if he's that screwed up. But the point he was making is when Mr. Nelson told him that's not true, that he is confused, he got scared but he also is back there, right arm-left arm, you forget, he's over there working on that same pump again and is there pumping the water again. And from his point of view, its, oh, shit, now I'm in trouble for having trouble with something that is still doing it, so I shouldn't have said anything because now my ass is in a sling with the company for having noticed it and said something. So, I don't know what else he is going to tell me. I haven't even talked to him yet. We are going to talk to him this week. And push comes to shove, I may fly up and meet him. Because I've done that before.

wb: Where is he?

ch: He's in Valdez. And he may not want to see me in Valdez. You know, everybody is afraid after ...unintelligible... but he is afraid. In fact, he went to Maureen to talk to me; that's how he did it. She was in town for a little while at Valdez working for D.C., so, but I know that this part alone I want to get from him; it all relates, it all comes back. And anything else he is going to tell me. Or nothing. Whatever he's got. But this is fine. Those people, now, what I picked up, also, that would affect you now is, Ray and I, and Ray should be back in his office momentarily, I am waiting for a call, his vacation should be over, two weeks, Ray is the one that got shortchanged when they put the rim coolers and everything back on, delayed the pipeline and whatnot. And they say they are in compliance and everything is fine, it turns out that

wb: What's Ray's story? Is he a good guy, a bad guy?

ch: Ray's a good guy. Yeah.

wb: That's alright. Those are just notes of ours. In fact, you can erase anything but the green stuff. OK, here, up in these little refineries that I told you about. You got the refinery, the refinery is this, you got the main pipeline going down on the pipeline to the Valdez, and you got what is called a surge tank for an emergency. In case you get too much pressure, oil is diverted into the pump station here into a surge tank; its a huge tank. Ray and I is bitching because that tank is, would be kicking up natural gas liquids because its not set up for vapor recovery. So that is part of this whole argument that they are doing. Spewing out hydrocarbons. But Aliaska argues to him, and in this I saw some of their arguments, aw, cut it out, don't make a big issue about that, that only happens, we got a record of it, that when there is too much pressure it overflows into here. It doesn't happen that often, maybe twice a month. Don't make an issue about this. So, we'll put in a ---, no big deal. What they didn't tell him is that for the refinery, there's a small tank here that takes oil off the pipeline into the refinery loading tank. You suck oil off the pipeline and you take diesel off the top or jet fuel and you put it in this tank here and you use it on the pipeline and down the pipeline and the heavy oil goes back into the pipeline. That's legal. That's what I say, they don't measure it. So, they've taken something off, they don't measure how much. So no wonder they want to put water in the other end. Because they get so much up at pump station one, they want to have as much going out of Valdez, so that's how they make money. So, some of that going out of Valdez is water and counts as oil. Its measured as oil. Now, what they are doing, Ray and I doesn't know, and I found out,

at each of the pump stations, they don't use this tank, too much hassle. What they do is they have constant flow of oil going into here and into here. And this backup thing is you have twice a month. But if you had constantly every day oil coming in here and going to here in this big tank and had no vapor recovery, this oil coming in here has natural gas liquids in it. And its butane that wants to get out. He says this is venting all day long. And that Ray doesn't know about. If I gave you the articles about that shit, what's happening on this whole argument that I caused two years ago,

wb: So are you going to tell Ray about this?

ch: Well, Ray is (unintelligible, tone over conversation) home about this.

wb: OK, put him through. How are you? Good. OK, yeah. Go ahead. In fact, I am going to go down there with you in a second. Yeah, things are fine. I'm getting a lesson on vapor problems and things like that. But Vern is here and everything is fine. I need to go to the bathroom so I am going to go when he's there, so we don't have him in the room without the one party issue. So, I'll talk to you, I want to talk to you about some things at home anyway. Good bye. You're boring, bye. Yes, they are. That will be great, so we'll do that. Stay on sailboat and not have to worry about the other things.

ch: Sherry will be looking for you.

wb: Yeah. I don't know where she is. But she'll call back.

ch: OK, look at this. What I am talking to Ray at home about is he is going to go find out that what I recall seeing of what was happening that I'm right, that he has been lied to, he thinks that this is operating and he thinks this is only for the surge and he doesn't know that this is leaking and all that kind of stuff, OK. While Ray is doing that, the guy that works with this pump station, at this power plant, not power plant, refinery, you told me about it the other day, and I told him I can make some music on it and he said, "OK, go do it". And I said, no, we won't. And he says, why not? I says, how do I know it's not happening at the other two pump stations? I'm sure it is. You know, they do everything the same way. I says, yeah, but if it isn't, you are always suspect, he is suspect, they think he is one of my sources. And he knows that they know, everybody knows that he is probably one of my sources. Because of the things that he has done. So, I says, that's all we need is to hang your ass, because if the other two pump stations are not doing it, they'll figure its gotta be you and I'm in the middle. I just don't do those things.

wb: This is the guy you told me they knew about because of the mail?

ch: No, this is a whole new thing. No, I got one guy who because of the mail told me about the rim coolers, he calls in all the time, and he calls in to me before I even say anything to him. I says, hey, what are they doing up there? I don't like to ask questions that the guy could get into trouble if he told me. Its just that I hear that they are going to spruce things up again. He says, yeah, you know I just put the rim coolers back on. And this guy keeps asking my other guy, because they happen to know each other for some other reasons, is this guy in Washington? and Miller and whatnot. And the other guy says, nope. I figured you are one of his sources, because you are always bitching about some of these things. So, give me some of your stuff. The one guy is giving the other guy stuff to send to me. And he doesn't know that the other one is one of my sources. And I don't tell each one.

wb: That's the way to do it.

ch: I just can't. Because that's a way to get into trouble.

wb: That's the way to do it.

ch: So I told him I will not touch this until he is sure that its going to be at each of the other two pump stations, the other two refineries. And he says, well, I'll find out right now. And I says, don't you go calling up there. They'll record you. He says, no, no, a guy at the other refinery is on off-week too, I'll call him at home. And he calls me back ten minutes later. When you give guys an 800 number, they do a lot different when they've got to

wb: Sure.

ch: Plus they don't want their own phone bill to show my number. So, he calls back and says they are doing it at the other pump station. I say, OK, can you find out while you are on your off-week if the third one is operating that way. Then I really feel comfortable that way. He says "I'll do that". And I says, then I didn't say anymore. Well I said I was going to find out; Ray and I was at my house that night. We left the next morning and I forgot all about it. So we're doing all those conversations with Ray; I take him to the airport and forget, so I said to him, I'll get on it, Ray and I, and I'll find out how its recorded and if it is then we'll make some music. He said, I'll tell you what, I'm going back this week, he comes off Thursday. On Thursday morning, and he's always been true to form when he says he is going to do something, I have diagrams of this little refinery and this tank and that tank, that I already have. But mine are old.





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He's going to get some up to date ones right out of the files. And he's going to send me the piping that's been added and how it functions.

wb: Yeah. That's great.

ch: He's going to get me all that; that will be in the mail Thursday morning. I know him well, Thursday afternoon, maybe he'll be off the plane by Thursday afternoon and he'll go right to the post office and ship it to me, I just know he will. So anyway, but I didn't ask him for it. You get used to doing that. I let him offer. I told him I had some diagrams I could work with; let me get you some that are up to date, I'll do it right for you and I'll show you just how to

wb: So you kind of set it up and put the thought in his mind.

ch: Because, you know, he gets caught sending that to me and he loses his job and at $80,000 a year, he's got family too, except that he says, you know, it was his idea, he did it. I don't feel bad. He wants it solved, he thinks it is wrong that they are doing it and he wants to go that far, that's his business, but for me to ask him for that and then he gets caught, I'd never forgive myself. Hey, I gotta live with myself. And the guy, I can't get him a new job. I can't help him. So, you know, you're an organization, you're different. But I am a human. I didn't say that your guys are too. But I am an individual.

wb: Well I can't keep his job either.

ch: I know but, say if your guys ask us you've got a job to do. The environment is your thing and you've got to do it. But I can't do that. And I never will. So, but it works out in the end. What I get is so strong that I can't believe it. This is being mailed to me Thursday. Ray and I, I will talk to and find out the legal stuff. Ray, I will talk to him at home, so that if Ray can show me that there is some legal action that we can take, then we do it right away. I mean we do it in two weeks time. But Ray will then give me all the legal ways to handle it because he just as soon, rather than his knowing about it, every time he makes a noise, the EPA, the new administrator will look at it and DEC will look at it. What I was going to do if you weren't, well, I would have just, and I didn't think of you all just now, when I talked to him the other day, the deal was that I was going to make a noise in a written letter because its my deal in the first place, this whole air quality is mine.

wb: So you think that Ray could put us on target based on,

ch: Well, see, what I am going to do with Ray now, I was just

going to write a letter and announce that this is what they are doing; the fucker's alive and everybody and whatnot. But if Ray can give me all the legal side of it, then you guys, your lawyers can just pick it up.

wb: That would be great.

ch: And Ray wouldn't mind, because its not his fault, and we just come in and make noise and he picks up from there because he is mad; the state backed off a little bit, the federal judge backed off, and now with the Iraqi thing its even worse. They are going to back off on everything unless we come in and really hit them with stuff.

wb: OK, well that sounds good.

ch: This is gonna be fun. If he can show me the legal aspect that they've lied to him and they're each running around with some live stuff, then they'll know how to spell your name in a hurry. On this one thing, and this is so clean, we do that right away. And then we come in with this one a few weeks later,

wb: Yeah yeah yeah.

ch: and then we've got credibility. Each one had been festering deals for years. So its not something that people have to get identified with and the press has to understand; they know this intimately. On this air quality thing, one tv station did, and I've got the clips for you, they did days and days of this of how this is going, there is something wrong.

wb: Now he is in Alaska or in Seattle.

ch: He's in the regional office in Seattle; head of air quality for all of the west coast.

wb: I'd love to meet him if he ever gets down here.

ch: He doesn't travel usually; he just was on vacation with his family and stayed at the house for a couple days. I mean that's real close. And he thinks that the government doesn't handle things right but, like I told you, you rock the boat, a lot of good it does, somebody else will be in your shop and will do less than you do about it, so just don't rock the boat. Stick with him. And where it pays to be patient because those suckers, I can't wait to find out that they've been lying to him on this aspect. Now they may have told the truth to him in this aspect but it says very limited.

wb: So the diagram you are going to get is a real diagram of the

way it is today.

ch: Not only that but the guy who runs it is making it for me; he's been there for 14 years. Not running that plant. But the other thing, an operator operated the plant, but the other thing that is cute in this, also, is you'll find I've got my files of letters where I sent the ballast water, on the air quality, I sent all kinds of diagrams of the original Aliaska diagrams, these huge things, of the whole terminal. Air quality. Vapor recovery. Eighteen pounds. And I sent it to EPA with the understanding it had to self-destruct if the other side asks for it and whatnot and made a big deal about it, what 18, 16 pounds or whatever, and I bought the Federal Express and sent it to them and I said to Ray and I, now you can have this because Ray and I is expert at going into the terminal but didn't know what to look for in the terminal. I says, you can have this, but I want you to give it to DEC, Bill McClarens, when you are finished and then he'll give it back to me, because I wasn't going to photocopy this kind of monster stuff and all the documents that go with it, OK? This is the original construction stuff. So, he said fine. Everytime I see McClarens, McClarens comes into my house, same thing. He comes down with his wife and spends time with us. I says, McClarens, one day I says, when are you going to give me back my documents? And he says, what documents? So I give him the old stuff and he didn't know what I was talking about. I says the air quality diagrams and he gets this perplexed look. He knew he couldn't remember these damn documents. I figure, oh well. So I get up to your office which I do. And I'll find them there, we'll get together and find it in your files, I want my stuff back. But don't worry about it. I ask him out there but not at lunch and not in his office or on the phone. I asked him maybe four times. And he couldn't remember. I want to get them sooner or later. I get to Boston and am having dinner in a restaurant and, like you, I call my answering service, "Anything going on?", and its Thanksgiving, and Ray Nye called. So I called Ray, what's going on? He's checking on something funny. Remember those documents you need? I said yeah. He says Aliaska has them. Their security division got them from the police in Anchorage. And they never got to go to carts. We mailed them to them but they never got them. What the hell am I going to do about that? I don't know how they got them but this happens to me. So I'm funny about little things like this. When I, if we go with EPA about the federal court here, one of the things I want to throw over there is that subject. Somehow, EPA to DEC documents that were important to them on this whole air quality thing that is so important to everybody disappear.

wb: Who did you give them to at EPA?

ch: Ray Nye.

wb: And Ray Nye was supposed to

ch: Ray Nye gave them to Paul Boyce and that was understood, his assistant, who was going to the terminal to look at everything and Paul Boyce was supposed to, Paul Boyce said he sent it to and the reason that Ray Nye knew about it is Paul Boyce gets a phone call from the people at Aliaska, Security Division, asking him about the documents, you know, where the hell did you get them from? They got them now. And he was saying, "somewhere" and they got them. They wanted to know, I don't know what they were asking him, so he was perplexed and he goes to Ray Nye and Ray called me right away because he figured, oh my God, he didn't want me screaming, he wanted to be the first to tell me that somehow between EPA headquarters and DEC headquarters in Anchorage, by mail they disappeared. And Aliaska Security Division has the same people checking you out. So, I am not making a big issue of it.

wb: Where did they get them?

ch: They said they got them in an abandoned car, in the trunk of an abandoned car that the Anchorage police found. But if the Anchorage police find it in an abandoned car trunk, somebody stole some mail or whatnot and that was probably with it. But if its addressed to some EPA to DEC with a cover letter from Paul Boyce, then why would Anchorage police give it to Aliaska instead of DEC? Because, I'm paranoid. Let me tell you what happens. Everybody in Valdez on the police force has an application at Aliaska because he makes $35,000 a year here; if he works at Aliaska he not only gets $80,000 a year as a building guard as a guard at Aliaska, then you also get two weeks on and two weeks off; its a hell of a way to live.

wb: They make 80 as a guard.

ch: Well, the guards make less. But with the overtime and time on-time off and you go fishing and you fish, you know, fishing season up there, you go two weeks on and two weeks off, for two weeks he's like a commercial fisherman. You go out and go hunting and get your bear and your dear and all that stuff in the winter and you go shopping outside on your vacation outside and you go to Anchorage for, so anyway, let me tell you, every human being in Valdez, including the police chief, has an application at Aliaska. Every once in a while one of them gets a job. And once they get in the building guard system, then they have their application to go into an operator in a terminal. And a whole bunch of them moves from there, once they know they can trust you, they move you over here, and then you are in the eighty grand deal. Because an operator, all he does is watch this pipe go to that pipe and if you know more they don't want you there because that's the way the system works. But then they find them. So I have to

see when we go, say, if your people wind up, then I've got a lawyer to do that part, says hey, judge, can we ask for a look in their trash? Incidentally, your honor, according to EPA, something else that we gave EPA that you said they can't have, the other side can't have, they didn't get it through you but they somehow got it and I don't know. Well, why should I spend the money to find out how? My argument is why should I spend this money. It happened. Its a weak story. And EPA will say, yeah, somehow between us and DEC these documents that Hamel gave us, 18 pounds of documents, are missing and Aliaska security division has them. And they say they got them from the Anchorage police. I don't care how. Let everybody else have the burden of figuring that one out. But that's the kind of thing the Wall Street Journal is sucking air for and they just say they want to run with that. And I said I'm not ready yet. I'm very funny about that. I don't want to give it to them when I don't have enough to make it a big deal. And now I can make it a bigger deal. This is the bit, its the sovereign state of Aliaska. When you start understanding that, you start understanding how it works. The Wall Street Journal talked about that a little on the side because of me I called them the sovereign state of Aliaska and they started calling it that way and they got Deedee Kunselor calling it that so they could write it in their article. Their article was supposed to be "sovereign state" and their lawyer took the name off it because the heading was going to be "The Sovereign State of Aliaska" and the lawyer for the Wall Street Journal made them take that part out.

wb: I'm going to jump on the phone. Like crazy here.

ch: Can I have a loan of that stuff?

wb: We'll all copy it, sure, I'll give it to you.

ch: OK.

wb: Let me know. I'll wait here for you. Thank you.

ch: You guys get your lawyers to start working.

wb: Don't worry. I'll do it right away. OK. I'm just leaving the office now. It's a little bit after two. Give me a call on the phone and you can disconnect the recording right now. Thank you. (phone ring) Are we off?

END OF TAPE; AUDIO DUPE OF VIDEO EXHIBIT 28, SIDE ONE AND TWO COMPLETE;

WB:kt (Ken Tammenga, Office Specialists)

30-1

This transcription is from the Audio Dupe of Video Exhibit 30-Side 1:

1: OK the tapes rolling. Todays date is the 30th. It's 10:15. My names Wayne Black. I am posing as Wayne Jenkins. I am here with Sherry Rich and Adrian Caputi, and we're waiting on the arrival of Charles Cambell. We're gonna discuss with him, payments that we made to him. The attorney client privilege documents that he has provided to us. Additional copies of stolen document from Aliska and our continued association in undercover capacity as we attempt to locate and identify, other persons inside Aliska that are stealing legal documents, if there are any other persons; or other persons stealing proprietary documents. I am going to run down the hall. None of you need to be in here when he comes in. If he does come in. I'll be right back.

2: Ha, Ha, Ha, just ----------

1: They're a client, yeah. This is their VIP suite.

2: Ah, you got anything around to eat?

1: The material come through?

(unintelligible)

1: We have to transcribe everything.....

(unintelligible)

2: Thank you Hal. Talk to you when I get back in town..... Answer me how your doing. Is Tom Davidson still there? Tell Wayne I can only talk for a second. He was not at work that day. That could have come from the mother. Cause she talked to her. Yeah. Right. Well you might have a hot one there. I just talked to personnel and he's the one that's not there. Short term disability leave was the category. Alright, it's all yours. I'll do it. Thanks. Just hold those till --------. Thank you. No problem, ok, thanks.

1: You said he would be here in 10 or 15 minutes. I have no idea where he is, Rick. If you want to shut down for awhile or let it running, just let me know.

3: Hi.

1: Meet Adrian Caputi.

2: How are you? What was you name again?





EXHIBIT 85

3: Adrian Caputi.

2: Caputi. Could I trouble you to grab me one of those?

1: This guy goes right to the coffee machine.

2: They said you ------ for it.

1: With cream and sugar.

2: ----- more coffee you have to have decaf.

1: How are you Adrian?

3: Very good.

1: We're just sittin here talking about....

2: Where you from?

3: Miami.

2: Miami is taking over here.

1: That's right we're moving up. We're moving up. Let me tell you what Adrian does.

2: What's the matter with local labor? I am an Alaskan and we like, you know, we call it Alaska hire. We don't like these outsiders coming in.

1: That's right. Well, we're bring in these outsiders. Adrian's one of our people, that she's the Sherry of Miami. She runs the office down there, pretty much, and we stole Adrian from a law firm down there. A big law firm, Goodman & Goodman, down there in Miami. So ------ three four years, and she also does our video stuff of.....

2: Video depositions you mean?

1: Yeah. Nastys and dumping of problems and things like that. So she.....

3: I get all the fun ones.

1: she spend a lot.....

2: You didn't do the one at, ah, Sailfish Point, did you?

3: No.

2: Cause that was my apartment house you guys caught dumping.

1: Yeah, yeah. That's right.

2: That really grabbed me. I was questioning who he was and what he was, when he started telling about that one in my apartment building.

1: Yeah, yeah, that was Gary, that did that one.

3: Oh. OK.

1: I'll never forget this guy puts in, just to be funny, put in an expense voucher for sun tan lotion. Because he was out there for so long, and what he did was he set the camera up on the front seat of his car. He got out on the hood of this car and put some sun tan lotion on, and so for a joke he writes down, Coppertone $4.95.

2: Good for him.

1: These guys are just. You need anything else before you run on that other stuff.

3: No I've got everything that I needed.

1: The main thing is that we need him at ten, you know, tell him to be there at nine. We need me him, just, would you make sure that everybody has their ----- tickets and things issued. And call those people back again just before they're supposed to be their, you now, call them the day before, and say, ok, don't for tomorrow your going to testify. And tell we'll try and get them in and out as quickly as possible, and give them the lecture about what the judge does, and recesses we can't control, and all that....

2: Four days later they're still waiting.

1: And tell em we'll give em peanut butter and jelly sandwiches.....

3: Peanut butter and jelly.....

1: out in the hall.....

3: We tried that the last time Wayne. And we have to upgrade to bologna sandwiches this time.

2: You got it.

1: Alright. See you guys later.

3: Alright. Nice meeting you.

2: Be good. I'll see you down in Miami.

3: Yes. I hope so.

2: ----- see Sherry back here. You know we don't allow Sherry to come down.....

3: Cher, Sharon, whoever.

1: We don't allow Sherry to come....

2: Sure is funny when you said Sherry but I understood Sharon. Someone's at the front door named Sharon, I was on the phone ---- was doing something.

1: Sherry. Oh. -------. We'll call her ---------

2: The dog barks.....

3: You can remember Adrian all right?

2: Oh yes. A d r i a n.

3: Adrian.

2: Spanish, or what, French or...

3: Well, yeah, my mother is French, ah, my father Italian....

2: Well I got that.

3: You got that right. So.....

2: I figured it was.....

3: Fifty, fifty.

2: Right there between Marsailles and, ah, the coast there, they married, Italian and French married .....

3: Um, uh..... Yeah, so half and half.

2: Bye, bye.

3: Bye gentlemen.

2: Take care. See ya. How are ya.

1: Great how about you?

2: Well I am so. Got a hair cut?

1: Yeah.

2: Got your ears lowered since the last time I saw you. I am slow but I get there. I am a tortoise on some of this stuff, but, ah, just ---------- with the patients I have with some of these guys. It takes a long time to get someones confidence, but once you get that confidence everything starts coming through. So, how are you. You must be tired running back and forth. Candy, says, his eyes going to be half-mast again? I say, I don't know. Depending on what he did last night.

1: Probably. Yeah, I got in and, ah, went to sleep. Got these things rollin in the computer. These documents, and ah, their incredible.

2: When you gonna get the rest of them now. When you go get the PDN stuff on em, ah, you can find nationwide, anywhere and everywhere, since I know now that they're doing PDS in Alaska. From the guys memory alright. It wasn't Alaska, it turns out. Call for it and the guy would ----- these from Alaska. Can you dig that one up for me? Oh, he says, did I say Alaska. No what I meant is, back in New York state before I came to Alaska, I saw one. So that's why I thought, shoot. He said well wait a minute. He says, you go look and, ah, at that data bank. First of all you got to fight your way in.

1: Yeah.

2: I don't now you get your boy in, but ah. You find some excuse to get in there.

1: We'll get in there. But you understand the difference between those permits that they file publicly and our attorney client stuff? This is, I mean this was, this was incredible stuff.

2: Have you heard me speaking of which I've got to ask you, it's killing me. Anything from, from, ah.....

1: She.

2: Called me yesterday. Her husband is at sea with their boat coming from Hawaii and their child's sick. I don't know what the hells going on. She's madder than hell and she's looking for another job, ah, and ah, a newspaper editor, this is a news woman ---------- working at Olympia, Washington. Editor just cut an article ------.

1: The new ----- has a source yet inside?

2: -------- all over the place. Personal friend of hers. And, ah, and she just, ah, while that person was on vacation she made a call -------- like everybody else she's running to.

That night I went over and stayed --------- . She called me in between just to complain to me what her editor had done to her article, what not. Like, for instance, I had but it together with Balentine, because she needed help around ------ her skills and possible -------. That cut it from 60 to 40. Ballentine got taken out, and she spent hours with him. The reason is, her editor in Tacoma knew ------- ah, Sierra Club and Green Peace and all these known organization contributed a lot to them. To the Story. Which wasn't them at all. They were sending em to Ballentine cause Ballentine knows that part. They don't know. But who is Ballentine, so, the editor, oh, she was so mad. She calls up, I am gonna quite. It was a two part series and what not. She doesn't seem to make ------ . So funny because Ballentine calls me ten minutes later and says to me, boy, I have my attorney and we're sending her a bill for my four hours. She's gonna pay for it. Because when she picks my brains and doesn't, and she mentions me one time in a little side bar, which says I was a vigilante, and he was madder than hell. I says, well relax. Call her. Call her. Don't do that, call her, you know I told you must do something right. She's upset about the article. I knew --- have problems. So he called her and yesterday he called me back and he says, nice lady. Your right. Well what's happening now? He says, well she's gonna write an article about me, which I had asked her to do in the first place. A feature article. About what he's accomplished, what he's done ---------. It's a hell of a story. And it ------- . So ------- normal wouldn't bother because of this vigilante thing that her editor made her put in their, she says. And he sent her a faxed copy of the dictionary definition of vigilante, which is, you know, take the law into yourself, and all that kind of stuff. What he does is identify things delivered to the government, Coast Guard where ever it is the agencies ------ we found --- do something about it. Anyway, the funniest thing in the world. So, but I talked to her each time she called it was something like, or her husband, she wanted me to find him crewmen for her husband. He was short one crewman in Hawaii. I had to give her some names of Alaskan people that I knew would go. So, anyway, I keep, I didn't want to push her and say, hey, what's you hurry on that, but I forgot. I'll get her to speak on ---.

1: OK.

2: Well get it. Takes time. People are on vacation to, everybody in Alaska is going.

1: Anyway, these are ------ back to you? Let me shut this whining critter off.

2: When's Vern coming back.

1: He'll be back next week. Either he, or the other guy. He or

Rick will be back.

2: They tried using, ah.....

1: Yeah, they have. They have and they want to sit with you ---- and talk about it some more. But so far they like it. They say it's a little difficult, but they really, I am sorry that they missed each other. Cause that's really the whole thing.

2: The, ah, it is difficult ----- sit down with them and help em. Secondly, they're gonna be, they're gonna be real ecstatic to hear you ----- and then a lot of the surperflous crap that we got in there. Languages and all that crap. -------- the impression that they need a whole in the head in the middle of everything. You know, what language am I, Russian. Ah, the, ah....

1: The other thing we want to do is if they put in, I saw a requisition for a worm, the other day, ah, to expand the memory. You know what that is?

2: Yup. RAM is read only.

1: Yeah. Write once read many. So you get these little disks and they'll put it in that and, of course, everybody will ----- we love em. 150 megs on one little, and we're gonna get a bunch of em. So, we're gonna be equipped to do anything we want to do with regard to read work.

2: What you been up to last week?

1: Just been running around. Puttin out fires.

2: Oh yeah, what house did you raze to do that again. that doesn't ----- you know what I mean.

1: I don't fell like I am being, I am whipped.

2: I use to jump from country to country like a yoyo for fun. Well, the, ah, a couple of things I wanted to run by you. I had a problem with that Florida matter, because my captain was to deeply involved in it. And, ah, you kept putting the finger like to stop things ----- just identify ----- except --------. Ah, so I, ah, he's been away and, ah, and, ah, I told him how important it was overall, and I did what I had to do for him while he was away, and ----- want he was talking to you about, he was just crying to me, he wanted to cry about how dangerous it was and shit. And how bad things are etc. Somebodys got to do something somewhere. He tried to reach Miller and Miller wouldn't talk to em. Well, Well I had him finding somebody who could deal with my Florida crisis. I had the chief counsel of Miller ----- committee. Who didn't have time for the guy when

said he couldn't call ----- whistle ----. And then the chief counsel in Cordova in my county. He likes backpacking. That's why I took him to camp and all that stuff. So, and I told him --------- Alaska up there and I think that's why ----- vacation. And, ah, on the arrival Ricky ---- was waiting for him. She got off her boat and started fishing and what not. Took care of him for a day. Took him out, out to the reservoir, camping, hiking and what not. The next day Rick Steiner came back in town, and he at Rick's house and Rick's girlfriend. Big difference. My son's van was there, a sleep van for them, and, ah, they took them kayaking, they took over Prince William Sound by.....

1: Was this guy Percy?

2: This is, ah, Jack Petrick.

1: Jack Petrick, I know.

2: And then they took him, ha, other friend was there with his little yacht that he bought to take Jacques Costeau's people, what not. An old fisherman type. He's just the ----- guy you ever met. Ah, an old philosopher type. Wears sandals all the time etc. Cold weather, but anyway. So he take, and they let me know him and like him to so ------- before ----- testify. So he's waiting for em, pushing his family off his boat ----- visiting. Find a place for them and takes them out on the yacht. Fishing and this old, old wooden yacht, ah, ----- and took em to the areas where there still wasn't ----- by plane. And then they took him, with a friend, all these friends with airplanes, of course, ah, float plane ----- ah, big wheel plane. Took em out to one of the islands to a forest service cabin. Forest service ranger has a cabin. And they landed, boat tied on the ground -------- dumped them off for three days there, and it just, ---------. I mean, you know, you only have so many days to do something, but when Petrick got word about his trip. I kept saying, relax. It's gonna work out find, you know. Anyway. So while he's that way, and I am talking to him about my problem with the captain, and he was telling me, you know, if you can relay it us, of course I'll do something. If not, I'll put you with somebody else. I don't want to be with anybody else. I'd like to stay where I am at. So now my captain comes back, and I told him what I have for him. I explain Ballentine to him, and that Ballentine prepared to go work for $1 a year, for Miller and their committee. That I use to run, Senate office so I, twice, I understand -----. For $1 a year. Miller has no money. He goes to the committee ----- it's to complicated. But just like I put up the money to go ------ that legal. Ah, the guy I'll be paying ------ ah, I deal with Ballenine on some of this stuff, when I get my money ------ back salaries. Three or four weeks ---- talking about. Ah, and I got a loan coming in from my department up there, so

I take care. So what he'll do, Ballentine will go with Miller to the ship as it's, first the ship comes ------- and everybodies frenzied, work, work, work. Then it hurries up, ah, after lightery, up to do the dock. We'll go take a ship up to my captain. But by the time we do this he'd be back at sea out there, so we'll make sure ---- his. So the captain is gonna talk to Ballentine on a three way phone conversation and tell him what to look for, Ballentine, bosun and then the mate at the same time. He's served on some of these ships himself at one time. So and so.....

1: This is at Arco or Exxon?

2: Exxon ship. And going up to Venetia refinery. I meant to bring the maps. It's really quite. Venetia refinery where the whole thing focuses on is, is when this guy was calling Petrick, Petrick didn't know he was working on the Venetia refinery, he thought ------- Florida. So it turns out that, that he never dreamed of doing what I want to do. He only wanted to, pay back for Florida. And so anyway, it's so funny because he's gonna tell Ballentine what to look for. Ballentine went out twice to sea when he quit, because of the, ah, at that ---- International. Union sent him out. He's an officer of the union. And sent him out as a safety inspector on a couple of ships. It just was so bad that things had to be cleaned up with the guys. And he understands it ---- good for him. The guys told him. Most of these guys he served with at one time or another. As a bosun. Not just an ------. You know bosun is top of the deck.

1: Umm uh.

2: So then he. I told the captain about, I usually don't people about him, but Ballentine is openly working for him. ------- told him about him. He says, oh yeah, he was on the Exxon, the Exxon Juno, no, overseas Juno. The dock. I said yeah, that's why he got off. He went public on it. So the whole thing was all overworked ------- maintenance was missing, what not. Oh yeah, nice guy, alright guy. I said, well, that's who it's gonna be. Alright. He said, what I'll do is I'll tell him everything to look for. The things he'll find himself without me. But anyway I'll tell him everything to look for. And the deal is this. Miller doesn't do this ---------- anyway.

1: Does Miller know about this yet.

2: Yeah, Petrick knows that I got something going, and Millers people. His PR guys that I got -------- for the campaign. And Miller and I. ------- the Exxon Valdez working. Hams says I -------- orchestration ----- Miller keeps saying I am pretty good at stuff, and all my information is always perfect, he says. What I want Miller to do, and you'll love it when I tell

you. ------ the time frame.

1: Oh.

2: Miller is out campaigning pretty soon. And while he's campaigning he'll tell the Coast Guard, I want tour of the harbor. Really. You know the Coast Guard will salute and all the 42 footers sitting -------- you know, where ever he wants to go, go see. And it will be arrange at a moments notice. He'll call and the duty officer knows everybodies campaign schedules. But whenever he call, go. And Miller and his assistant want to take a tour around ------- and press manager--- photograph...

1: And the assistant is going to be Ballentine?

2: Yeah. Several assistants. His PR guy his ah, you know they always go in entourages, but Ballentine is the expert on the committee. The committee person. And then, even have federal government identification. Then he goes to ah, the minute we know that she's finished lightering, and she on his, her way up, it takes hours to dock a boat, you know. So what they'll do is, Miller will then get on the 42 footer as she's about docking and he'll get into port and say, what's those, that tank over their. Well that's docking over there. Well why don't we go to that one first. Just come along side of em, go up the gangway ladder, and, ah, --- gonna be ------ directions to the captain, everybody busy, a just look around and Coast Guard and do an inspection. And the Coast Guard guys don't know what we're looking for, and never will, don't understand. Identify it for em, and they know -------- etc. For example, one of the boats --------- and they use it for moving oil around now. And instead of having fire water system in here ----- they're moving oil through the fire water system, it's got oil. Comes to a fire your putting water through the oil to the fire. Anyway, that kind of stuff is all illegal. The Coast Guard wouldn't know how to find it. They know its illegal, wrong. Talk about if that thing ever blew up in the port, if your in his port, and it had no fire water system, then you can explain later, well it's one of those things that happen. So what Miller will do is he'll hardly stay in the boat for half an hour, but the worst things will be found immediately. A couple of bad things will be found like that, and Miller is gonna say, what does that mean. And the Coast Guard is guys its ----- problem. Then Millers beeper is gonna go off and just say, gees I got to go, ah, another meeting, but I'll leave my assistant here, and you Coast Guard men, you stay with him and I'll go ashore through the gangblank and I'll go home. I am gonna do my thing, and just leave em there. And while they're discharging these guys will be, they'll look at the log, how many hours the guys worked, everything that been wrong at the Exxon Valdez, everything the NTSB reports will be

right there again. It's just that way. The guy knew who Ballentine was, of him, and heard about him because the guy...

1: You mean, you mean

2: The captain.

1: The captain. This is your captain, is gonna be on that boat? Is that gonna be his boat?

2: Go on purpose.

1: So he'll be off that boat?

2: He'll be on another. There's a bunch of boats going up there all the time. He knows each one of them intimately. And Ballentine served on some of them, so, ah, we'll pick the one that he picks for us, and we'll done it.

1: Ballentine knows about it?

2: Yeah. He loves it. Already. He'll get the $1, whatever it is, a year from now, and make up to him later this time what not. And, ah, ------- . That takes care of the captain. Now the captain knows I spent a lot of time and effort, troubled him a lot, and dreamed up how to do it. He never dreamed this could be done. All he kept saying, was wrong, wrong. He'll say identify this bad thing in Florida and somehow.....

1: Is this the same captain that did the oil drums....

2: In Florida.

1: Is, my, the big question. The thing that is gonna put it all together is Petrick gonna be able to do it? Will he do it?

2: He'll do the California one. He won't be able to do anything about Florida.

1: Right. But you think he'll be able to convince....

2: Absolutely. The only think that could go wrong is timing, you know. The ships there when Millers back here in Congress, or he's there and scheduled ------- can't make it. But he'll pull it off one way or the other. I want this dramatic way with Miller himself. Miller could pull it off by just saying, I got my assistant, I want him there, and the Coast Guard show him around, and do everything the same without Miller present. I think that has more Pizzazz if Miller show up. And that's all, and Miller will do that only if the schedule permits that day and what not. Cause I can't picture the time and hour that it will be done.

1: What kind of guy is Petrick? You mentioned that he was outdoors. Petrick is an outdoors kind of a guy?

2: He's an outdoors kind. And he lived in Alaska. He campaigned in Alaska many years ago, and his uncle lives up there. That's why he went up. And, ah, he campaigned for ----------. Ah, Petrick, when his boss becomes chairman of the Interior Committee, which he will. The full committee. Ah, as soon as Moe Udall quits. Moe Udall has parkinsons and 20 other diseases. He can't walk.

1: Yeah.

2: He can make it to the podium hardly. And he still, perfect brain, but bodies gone, and ah, with pneumonia spent six months, six weeks in the hospital ----- with pneumonia. So he wasn't supposed to run again, the family. But he decided to run again and he a announced last time. Now if he dies, this week, November 4th he'll still be elected. Arizona and Moe Udall. So Miller in the mean time is chairman of the subcommittee, which has to do with Aliska, interior lands....

1: Your not familiar with these committees?

2: So what happens is Petrick has got no staff. Zero. Zero. Secretary --------. What ever secretary in the office can help him. There's a girl who's name is Sharon who helps him out as much as possible, in the full committee. Ah, the day Udall dies. Miller becomes chairman of the full committee. Petrick will become chief counsel of the full committee. And he'll have, full committee of like 40 employees, and Petrick will have 5 assigned to him alone, at least. It may have a BP effect. It's a long term for you all. Keep the rent paid until then. There will be things you can do with em. Because, ah, the problem you find, when you understand Patrick Desea, and most people don't understand him. Any guy that doesn't have staff, that does the work of five people, and gots the Congress National Forest. I mean they whipped everybody on that and it's not even their area. Against the Congressmen and Senators of Alaska. They're all bought and paid for, and Miller beats em in their own backyard. ---------- Forest on the Exxon Valdez, a host of legislation against their committees. Moe, he just does it. And he's become. We got bumper stickers for Alaska. George Miller Congressman for most Alaskans. Floating around during the campaign. Just for fun. But anyway, ah, so Petrick is very up tight. Very very short to people. He's just impatient, and if his minds on something he's very hard to get to. I've have, because of what I did for him, in those hearing. I mean he was out of sight. Ah, everything I did for him. Delivered the people to em. Didn't cost him a dime. At the time he was up in Anchorage preparing the hearings. He sent a federal express back to Miller of the

interviews he had with each of the top people, Exxon top people, Exxon Aliska that I had for him. That I flew in to Anchorage for him. And he caught hell from the full committee, ah, administrative was sending across federal express.

1: No.

2: Interesting?

1: Well they don't have a big budget.

2: Well, but see at the same time you'll find that Petrick, I have a deal with him. People are trying to see him. I fax stuff. We fax to each other everyday. I fax a message to him ------ so I don't have to talk to him. When you know someone that well you don't have to talk to him. When I know he's up tight and really climbing the wall, I usually have the key to the wipe over. -------- he's home with someone like Ricky, who he likes. Rick Steiner, who has no time to spend with him like he wants it. So he just has dinner at home. And then his wife has to pour him into the car. He's not an alcoholic. He doesn't drink except have a beer or so ----- time. But on those nights I always have my ----------. He pours and while he's talking his wife sips it up and drinks it, and she doesn't want it. But she drinks it up. And it's all empty. He pour so far anyway. And we pour him in a car and send him home. But it really unwinds the guy. I do the same thing with Rick Sneider when he over does things. ---------- same thing I lock her up for a day. These people work at such a pace, and they do it to themselves. So anyway he is real close, and and

1: Sounds like it.

2: and as long as I don't, ah, I don't want any problems. What I want is things that I want he wants. So we get along real well. And, ah,

1: Does Exxon know that your close with him?

2: Well that's where Aliska told everyone of their employees that Chairman of the Board, I mean the President of Aliska, that the first time he met each and every employee ever ------- few months back. Ah, told them that Miller was trying to shut down the pipeline, not true, and that he, ah, he does ----- Chuck. And that Chuck Hamil and Miller are seen twice in the corridors holding hands together --------. Every employee of Aliska knows that Miller may be queer and I am queer and with him. Ah, the, ah. In the wake of the Exxon Valdez they say that I orchestrated Miller's hearing something like a Jewish wedding - -------. So we, ah. Long term I think your gonna have a lot of fun with it. Because it ------ it. The environmental community gets to em, and are close to him. But they can't

react at it like I think you and yours as a small organization. And the environmental community, ah, they, each one has a little piece of this. If your coming over here then you better check with this environmental community, you know. If your down in Florida, Sierra Club ------ thing up north ----- then Sierra Club down there --------- you know. You don't have that, yet. See when you get to be huge you'll have the same problems as everybody else. So the areas that you might find ----- that you bring to him and he'll work with you, cause he has supeona power all the time. There's a lot of things he can do.

1: Yeah.

2: And, ah, that committee used, ah, under oath, for the Exxon Valdez; the first time that committee has ever used the oath. Everybody's under oath.

1: First time? For how many years?

2: That's a hell of a big difference. Although everybody lied to em, but at least, they were all pretty nervous, no one, even though a lawyer, likes to be under oath and deposition or whatever. So anyway, that's ..... Whats happened from it, though, is the captain ---- for me to now, cause he's, I talked with my link with him, said that he really, he liked his vibes. He said he had good vibes with you and he like you and all that kind of stuff. And I think what made it for him is that the two phone calls he wanted to make, I told him not to make, cause somebody could relay back to him. So I don't ever want make any phone calls, ever, on anything in doubt that he's---- on. Tell me what your not sure of, and I'll go find another way to find it. Cause you can give me directions where to go find it. So that's what we did. Turns out that he, ah, ah, he was up and putting together one of these ships for the Navy and trying to put all of the reserve ------ back in to em or to see, get ------ while he's off duty, with a bunch of other guys who put these ships on ------ even though they won't go to sea with him. So the guys going to sea, and just get on and go. And he tracked down a guy who is coming apart on a ship that carrying the oil out of Florida that his ships no longer carry. Remember, they, last November they sold the ships, but they chartered in other ships to carry it. And first mate on the ship is this discussing with him how, the two of em was joking how they could write a book. And that's how he got the guy into the conversation. They could write a book the two of em. On how they've been dumping off the Florida Keys. And so the guy, he says,..... so I am going up to meet with em next week. And, ah, I told em I had to go see my mother again, ok to spend the day together ----- time.

1: Meet with the same guy?

2: What Chapman? So he'll be my captain and he's gonna tell me all about the ship. He just got all the details from em. Who the people and then

1: No.

2: and from there, I got to find that guy to give me somebody who quit that company again. But there Ballentine comes in. He knows more guys in the merchant fleet

1: Do you think they're doing it now?

2: That was the point. The new, the ship that was chartered in, that's what I wanted to know

This transcription is from the Audio Dupe of Video Exhibit 30-2, Side 2:

2: Like I said we had move on that because, you know, a year later is a little late, is better than nothing, within, by November. I want to be able to say that within this past year they did it. But I kept wondering, who's doing it? And the ship that was doing it was sold by Exxon is on another business. So didn't dawn on me whats it cost to go find out who, what where and how. And I did want to impress him. I really, I wanted to gain his confidence before I pushed him with anything. So while he knew what I was doing. Trying to do this thing for him with Ballentine and everything else. He thinks it's just unbelievable, I could do something like this. Oh, because ultimately, what Miller's gonna do, Miller asked, and got the task force of the pipeline. Presidential task force. And the sea leg of it was taken off by the Merchant Marine Committee people. The sea leg was cut off. Now my argument is, when he does this, and he sees the horror, then the sea leg, he will first of all approach the oil companies and suggest to them, do you agree that we change that thing to include the sea leg, or do you want legislation, and do you want me to bring this up. Because this is unbelievable and I want the sea leg first. He'll start screaming ------ the sea leg crews going up. Or a separate bill he'll do in Congress right away. I mean when he starts screaming, you know, he's six four and everybody trust him in Congress -----. Whatever he gets into he is, ah. When the spill occurred and I was up in Alaska, and I was madder than hell cause Bush wasn't doing much and I called Kathy. Kathy called Tom Foley. Called and said, hey, Chuck's up there and Chuck's uptight about the Congress. Nobody seems to know what's going on. So, he says, Well Kathy don't worry. We got the guy we trust the most on this subject, ah, George Miller. Not, not Senators from Alaska or Congress he says, he says there's a Congressman named George Miller. And he says, he is up there and he is really gonna, Congress is gonna follow him on this one, believe me. I'll know more about it when he gets back and I can tell you that, you know, tell Chuck that ----- forgotten out there by the house. We do have a guy ----. So Miller's in Chuck's house ----------. He says, well relax. Kathy goes ------ like that. She goes back to, ah, they were in Congress together as young kids. They were going through Congress,ah, working for Scoop. They both came to Washington - ------ that kind of stuff. But, ah, so anyway, Miller, this captain rather,ah, is very happy. So he went out and he found what I wanted. And I told him it was important. And I find two things. One, my Alaska ------ and my, ah, the Miami thing, I says is important.

1: That's great.

2: and two.

1: So he thinks it's going on right now?

2: He knows it is. I talked to him last night. First time I was able to get em. ---------- since I've seen him. I haven't been able to talk to him.

1: That's incredible. Who owns the ships?

2: It's a, ah, it's not Exxon. It's a, ah, ship owning company that charters the ships out to Exxon, and the point that your gonna appreciate, is the refinery is making the ship do what it's doing. Now you saw the other day when Exxon

1: Who's refinery?

2: Exxon's. It the same, everythings the same. Exxon's refinery it had. I'll go get the charts.

1: Yeah, go ahead. And you can, in fact I just, we just went through that so you can erase that. Take the eraser and lock that gray stuff up.

2: Here's your Texas refinery. Your Florida. They're boats go Port Everglades and Georgia. That's a short haul. You know they work 24 hours a day. It takes them hours to do this hours to do that and hours to do this. So, the problem is, is there's something wrong with that refinery. They've got a water problem that just doesn't stop, and I am no water man, -------- I lost my whole deal on that one. And they're putting out product with water. Jet fuel, kerosene, what not, and you know how it goes up to the towers and that kind of stuff.

1: Yeah.

2: So, ah, normally you got to settle that in the tanks. Settle that water out. And then load it on a tanker. To save money, just like in Alaska, they're sending it out with water, and they're making, it's their own terminal, some is their own terminals, some is other peoples terminals. I think this one is their own terminal. So..

1: Where's that one.

2: Port Everglades.

1: That's in Ft. Lauderdale, ok.

2: And so, ah. They don't want the water when it gets here because they get an NPDS problem. They got to separate that water. And this guys profit center is hurtin. He gets water.

And he's getting 100, 100 oranges but one orange is water. So you end up with 99 or less. See his profit centers affected, so he doesn't want any more of this water. Plus the cost of getting rid of it. Plus, you know, the permits stuff like that. So he doesn't want any part of it. So what happened to my guys. The captain and my guys. Is when they first arrived with the first run with this stuff, dumped it, and dumped it, and come back. On their way back they get this telex from this guy. He'll never allow that ship back in his port. That crew screwed up and gave him pile of water, and they did something wrong and you know, mishandled, this ----- water got into it. And they said what the hell you talking about. They raising hell with this guy and they caught because they started talking to the other ship guy. They talk to each other all the time, but they didn't know. These ship guys. Called the other ship and you know, what the hell's going on. Private little conversation all the time. They're all catching hell ----- and the mates are catching hell and you get enough hell your not gonna be called back. You'll be delayed for the next six months before they take you back or Rossi doesn't call you back. So what he does was, they all say we get to do something about this. So that's when they decided to dump this stuff at sea, on their way.

1: This is the barrels.

2: No. The barrels go with em, but this is, ah, in your oil, in this case, jet fuel, kerosene and what not and fuel oil. The bottom of each tank, in the tanker has water. A lot of it. Cause they're shipping it with water. Now when they load it in the boats its mixed, it's emulsified, but then it separates out. Six to eight hours. So what they do is when they get to the terminal, they empty from the bottom. This is where the spigot is, down here.

1: Yeah.

2: So they empty it out. And that water goes ashore ----- stuck with this. This guys madder than hell. And the refineries say, not us. So these guys, nobodies looking after their interest. So they decided, ok, we're gonna start, the refinery says, solve the problem. Everybody says in the company, solve the problem. The shipping department. So they start unloading at sea each time for ----. That's no way to do it -------. So they, the, the, the pipe goes like this and there is another one that goes ashore, or in this case over the side, at night time.

1: And it just happens to be around here. So where around here in the night run. Now when they go over the side. How do you know when you run out of water. You get product. The product goes over the side. Ok. You turn off, disconnect em it takes

time to go over, you forget it, you, you know, you got other things so, ok, looks like this tank is now in to product, so you go turn the valve off. Meanwhile the other one is still draining until you turn that valve off. Meanwhile, the only way you know is when you hit the product, ok. Now, from your point of view. What's in the water? The water is loaded with benzine, tylene, xylene, aeromatics, which are, kills fish ---- --- kills humans. It's illegal, ok. Now, your gonna say, you find this hard to believe.

2: Don't drink that oil there.

1: Yeah. Your gonna find this hard to believe. That this kind of operation is required by these companies. It turns out that one of Ballentine's operatives works for me, trying to find whats in that tank that Arco has that goes to the ships, that goes to Alaska. -------- at the refinery. He's an ex-seaman, who, these guys are ------ watching, it's all a ------ thing. They're off duty. And they charge them $100 a day for the day, and now he's cut it down to $50 a day because the guy says, well what the hell the refinery is paying me. And he's got a job as a roustabout, in L.A. The guys got these miniature, these new miniature Niki, Nickee, whatever these new cellular, that fold up and fit in your pocket.

1: Oh yeah, the Motorola's, yeah.

2: Yeah. He's got this little one, and ----- right near by and it's this ----- anyway so. He's got this in his pocket and he's phoning in -----reports from there, and I keep saying, geesus, you know, what the hell. So instead of going back at home on it, his problem was, he's looking at the tank ports, ok, all big tank -----, huge tank ----- supertankers got em all the time. And this one tank has got, what he knows trucks have come from the wrong, other places and dumped into this tank, they dumped into this tank, it's crud. And he understands that this is what goes back out in the ships, but you got to be there to make sure, so he decided I'll go with them. So, he's working there and he calls, this is the tankers, and this is the pipe going to the ------, ok. And he's calling Ballentine, he's squeaking, Ballentine meantime is calling me. I can't picture this. A guys behind the tank with this little talking. Puts it back in his pocket. Calls Ballentine, he says, hey, something wrong, he says, the Shore Forman, there's a valve here and he siphons oil out of this. Spewing oil ---- before he gets to his ----. So Ballentine ----- said, how could that be. I said that happens easy. I said, this is a separate profit center of that refinery, and production department from Alaska, cause the guy had problems. He first notice that on a foreign flag ship bring back ------- . Then when the American ship showed up he said, gees, they can't be stealing from themselves. I said, yeah, they do that all the time, ah, the

refinery, the production department, your talking about ------. I mean ----- all the time. The production department, for fun, will send this queen down the pipeline just for fun. He'll do anything. These guys are just, they steal from each other all the time. And your profit center is important to you because that's how you get your annual raises and your annual raises are a three year average when you retire, and all that kind of stuff. These guys are cheating all the time. So I said, no, that's very possible. I said, the problem is, I says, where is the meter cause sometime you count just my meter. My case I 've always been stuck, the meters I wouldn't trust anyway. So I've always wanted tanks. Cause the tanks are what we call straps. I explained that, that kind of stuff Ballentine doesn't know. He knows sea part and I know just a little bit of the sea part, and I know the shore part. He says, tanks are what we call strap that's highly calibrated so that every, this whole gadgets, ----- along the side and all you need is the temperature, which is easy to take with a temperature gauge. You have a temperature gauge and you strap like that, and you can find out pretty close ------ how many barrels you got. So I says, well he says, well the next call the meter is here, so then they figure, well, he's stealing from himself. Then somethings wrong. So I said, no, I says, it maybe, so then this roustabout keeps asking questions, I mean, -----working. He says, oh, now our system the meters there, the meters there so you catch things. It's got a water detector in it and all that kind of stuff. And it can give you an idea of what's happening for flow, but visual, but to make, the, ah, final account is by the strap -----. So they are stealing. Not much. And the guys working there are telling us about 200 barrels a ship ----- that he steals. Well, the reason he gets away with it to is first the ship arrives here at Anchorage 9 at lighters. This is the Anchorage line. This is San Francisco Bay. In Anchorage somewhere, Longbeach. So you got a lightering. Your measuring there from the lighters ----- away. And then they come in they hear, well hell who know where it went, ok. And so the ship owner, and the shipper, 200 barrels. Your gonna file suit for that. Where did it happen? Here or there. You know, they'd never do it.

1: Yeah.

2: And I didn't. Mine, I use to have a yoyo work mine. I couldn't understand why the disparity was there. So, this guy says, the way it's done is the foreman, as the oil starts flowing. The foreman goes over cracks the thing and listens, and when he hears oil flowing through, then he knows he's got the amount he wants. Just a little crack. Just enough. So then, yesterday, I said, well find out how, where the tanks are. So he goes over and there's a small tank over here. When he says small tank, I said well, what size? The guy didn't know. He said it was just a small tank. I said, measure it for me.

Visual measurements and I can ----- exactly how many barrels it holds. Cause I can, he's a monster and a half man, barrels of tanks. So what he calls small could be 50,000 barrel tank. But the main thing is for you to understand, what I am telling you this whole story for is, if this guy doesn't understand, they cheat all the time. It's just cheat, cheat, cheat. So that explains to you why this goes on. This guy wants to show what he shipped out to the refinery. It costs them money to sit the oil, that product down in the tank, in the tank part of it is separated. Then he's got to drain that tank. Then he's got to deal with it with water and an MPDL permit again. All this is an operation he didn't want to do. So he, ah, ah, ships it out. These guys have to get rid of it for him. And the finally tally of the amount that landed at Port Everglades is according to strap ------. But it's a lot cheaper to ship it out this way, and dump it at sea, then dump it through an MPDS permit and deal with it -----.

1: So dumping it at sea out the bottom?

2: Well the bottom of the tanks, the hoses come back up and over. The cargo lines. They empty through the cargo lines. Which, ah, and when they hit cargo, they hit product. They turn it off. Now, now there are other things .....

1: Can you see it?

2: Huh.

1: Can you see it from the air?

2: Ah, no they do this at night time in the cargo lanes. In, in, in the ----- the ships. You've seen that lane of ships through ------

1: Sure, oh yeah.

2: going that way. That's at night time along that lane. You could do it by, ah, if you had a Coast Guard guy arranged and you follow the boat, and you pick up when you, I don't know how you'd know they've done it. But, ah, you know, you go out and pick up samples. Problem here is unless they've thrown some fuel oil over to, this other stuff evaporates, but the aeromatics stay in the water. You don't usually see it to often. I'll find out what the story is about that. We're gonna get their, now that I've found that it's still being done. Now I said to the captain next week they're gonna find out who or where, and I'll get through my SIU guys or what not, we'll find somebody who's pissed off and they'll tell me. And they're all pissed off at the companies ----- so bad, but ------ who can help us here. Cause now it's easy. Before was hard because my captain couldn't, God, he was to much involved in it,

and.....

1: Now it's all barrels deal though.

2: But barrels you have to, it's all the same. That same ship is doing the same as what the others are doing. He's gonna give me more information now than he gave before, because he was scared to death before.

1: Sure, but your, on the barrels though your guys is the one that invented the barrel situation.

2: No. No, the barrels everybodys doing it. They're doing.....

1: He's the one that did it on the barrels.

2: But the other ships did to.

1: Sure.

2: They all do it.

1: OK.

2: What they do with the barrels is, the refinery gives em some crap in barrels, to get rid of up here somehow, I don't understand, he didn't want to say to much before, but now he will. knowing I've got .....

1: Ok. What about the hierarchy. Did he mention that nobody else knew about the barrels. They knew that they had to get away with it, and the Captains, away from it, the Captains on their own started with the barrels, but on this situation does anybody in whoever owns this shipping company above the Captain level know what they're doing?

2: The Refinery Manager and the shipping department back home know about it. ---------- loading so much getting less over here. He gave me his name once like a McCarr or McCulla, Vice President, who says, get rid of the problem. He doesn't tell ya which, spigot in an open -----.

1: President of Exxon?

2: Under Iorossi. Then the other thing I got that's fun, now. Very slow but it gets here. This will take ------- home. I'll have this whole package ------.

1: This is the guy?

2: Ah, we get it all down pat. I don't ever want to say part of it and look for the other answer. We got to have all, every-

thing there when you walk in the door.....

1: Ok.

2: I just want to put a stop to it. If you put a stop to it, ah, it's Exxon, high enough up in Exxon, from that point of view it's dead. And they're arguing in Alaska that the shipping department is a separate entity, and it works on it's own, and not connected to the USA. And here's a perfect example where the shipping department, USA's got a crudy problem, could do our dirty work for us

1: Don't tell me.....

2: separated, separate entity, loosing money on the deal, costs the operation. Say, hey, I'd love to do it for you out of the goodness of my heart, so that's gonna be quite. The Galveston. She's, ah, really funny because I just found a little memo and I got held up at the office ------ company business I guess stuff ---------. I started this little memo on the Galveston to your lawyers. It's easier for me, for you, that I get the whole thing done and you give that to the lawyer, then, I was about reference all the documents.

1: This is what you were saying before the Aliska BWT is merely an oil water separator system?

2: Correct.

1: Capable of limiting or treating hazardous chemicals nor the toxic aeromatic, hydrocarbons, heavy metals, fennels that collect in oil sludge. Ok.

2: Now when I made that ------. This will all be in a memo, when I made that complaint, EPA did an investigation. I told you about that. And they went right to my office and one of my sources, and never even asked ----------. So I asked John Han, the attorney for EPA, the other day. ------ his ears out. And I call him and I send him and memo, and I says, I says, John, tell him how my guy ----- that one of the offices that he was at. He answered very quick. He said, ----- he didn't want to get in to how, about what instructions he got from his former boss, who is now under investigation and all that kind of stuff, not to do it. But, anyway, I said, John, I ------ I can go after you to in this deal, your former boss rather, not you, but what your former boss told you ----- I could hear him squirm on the phone. I know him well, got 13 to 14 years at the agency, now he wants to retire ---- go home, 20 years retirement. So I said, John, we got to work together one more time to try and make it work. I said, we're on the same side. But, ah, they got a new lady showing up, just taking over. She's ------ West from Washington. I don't want

her involved in it -------- it's not her fault ------- . I said, I'd like start over again. So I said, I got to know what you did and didn't do ---- my sources said they didn't do diddly squat. He said, oh Chuck, I swear to you, -------, I swear to you I took every single ballast water walk. On every ship. I got every one of them. I personally locked at each one of them. They're not gonna tell you that they put harzardous waste in the ballast water. Well they ----- you. I said, well, ballast water for any ship comes from underneath, you know. They call it the sea chest. You just let the water in and suck to each tank. But I says, you don't put in any hazardous waste that way. He said, that's the log they keep for you. The fact that they put stuff in the other way, ah, Arco uses a system they say will flush out your lines, the ship. That's what this guys waiting to catch now. So when a ship is finished loading, Arco is saying, why don't you let us flush out your lines. They don't shit anybody. And that this pipe is then connected to this, and they flush out the lines by sending the crud into the tanker. That's not ballast either. You got to do things right, no. So can you picture which mate is gonna, who also has a barge come along side to put something in, which mate is gonna put in his log that he got 200 tons of what they know as hazardous, this is, ah, tank cleanings ------ use chemicals and all that kind of stuff. Ah, --------- you know what ------ you leave enough, you leave a cup full of this, in the bottom of the ship surrounded by a little moot, and ---- all ------through the ship, you now. But anyway, so, anyway. None of em is gonna put that in there. Because it doesn't effect their ------. The reason for ballast logs is, you have an accident, you can see how much ballast you got, stability of the ship, and all that kind of stuff. Now a few hundred barrels of crud isn't gonna affect you ballast log on a million three tanker, barrel tanker. So, nobodies gonna put that in there cause Aliska looks at it, they know. Before they get started discharging their ballast, they got to show their log. How much ballast they took. That they didn't cheat to get rid of it along the way, on the coast. Because that's illegal. So, such that in Alaska you got to show that what you took in as ballast you didn't give up anywhere along the way, cause that's illegal. It would have to be in your log, if you gave it up. Just to go faster and get rid of it. So, calm weather you don't need ballast. So, or to waste time at the port getting rid of ballast. You can get rid of it on the way. Is the way they like to do it. In England it's a law. You have to come in with ballast, otherwise, guys would get rid of it out there, and, ah, anyway. So nobodies gonna put a word in their ----- ballast log that they got this crud, or ordered to take crud. Now being in cable traffic you're gonna get something given to you ----- never's gonna be in the water ------. So I said, John, why didn't you ask for the cable ---- like I told you. Well, Chuck, I didn't have ------ grounds to ask for the cable traffic ----------. I told

him how you gonna get the cable traffic for just when your loading fuel is, you know, week before your ----- fuel ----- the captain ----- loading fuel, they'll be another barge along side to take that crud up. And that's the cable traffic I am told to get. Your not loading it on the cable traffic ----- to the ship. He didn't do that, sorry. Now, I didn't have enough, his boss told ---------- . I said, John, how serious is this? Cause they're doing it again. ---------- after all. All the press we've had in this. All, and then the report said that they're not doing it, apparently. Or they can't prove that they are doing it. And I looked like a fool. So I made no comment to the press when they asked me. I said, I lost, I lost. So, John says, one ------ cause, so in chatting with him I says how far back can you go. He said the statute of limitations is like five years, he thinks, but he's double checking it. But he's almost sure it's five years for -------. I said in that case, John, I'll stop worrying about the years past that I knew they had and you missed on. Because even if you caught em they gonna say intent, cause I know the government. My ------ copies say intent. We didn't intend to do something wrong. We thought what the hell, oils oil. We thought ballast waters plant could handle it, I know. They could do all kinds of things with their intent. But once this whole thing came up he investigated and all that kind of stuff. Anything passed there, to me, it's automatic. Conscious intent to set it up there and screw everybody. It turns out the Aliska wants it.

1: Wants what?

2: That crud.

1: For what?

2: I hate ----------.

1: No, that's all right. I am trying.....

2: If give you the -------- of these people your dealing with. Aliska is a, gets a budget every year to work under. ----- enough. The owner companies, work with this and make it work. And anything you need extra at the last minute we'll give it to you if you need. So, beside that budget they have only one profit center. And that is the recovered crude. all the recovered crude they get they stuff it back in the pipeline, and the price that, will go well that day, Aliska will get that money.

1: So it's the profit center.

2: Now if somebody sends up 300 barrels of crud. That's 300 times 30. It's not a lot, but you can add up what they get every

month. Should run about 30,000 barrels a month of, ah, recovered crude. So at $20.00 a barrel your talking $600,000, or what is that. Em uh. So these guys, first of all I already told you, they're stupid. I mean they're crazy people. All these profit center guys, they're crazy. They'll cheat anytime just to look good and make things look good. So when they allow this to come up, and I know it's coming cause it upsets their system all the time. And they say, no we don't know. We looked at the log book, and our guys never takes any ----- the log book. And that's where they're trying to change the law, so if something comes up, and they don't know it, cause it's not in the log book, they're not responsible for what goes out the pipe in the ----------. And that was ----- I caught em making that arrangement and EPA and DEC agreed. Not their fault that anybody, anything comes up. The reason they asked for this change is they're all doing it, and they all want to be absolved of, they want to blame it on ships officers and that kind of stuff. So anyway to get 200 barrels, ah, 300 barrels it's more than that usually, but lets say 300 barrels of this crud being sent up to em, a lot of that we'll say $6,000 when it gets to em, what the hell. Now what happens is that crud, because it's blended in the ballast, diluted in the ballast, ah, and it comes out the bottom of the ship, it gets caught with the oily waste and what not, and most of the crud, the scalings and the, ah, residue will be separated out and they will get credit for it, because they mixed that in with crude going out, ------ with all the crude going out. They get away with it. What doesn't go out, the recovery crude is the chemicals, and they benzene, tylene, xylene and the aero, what they call the aerobatics in the chemicals, that goes into, it's water soluble, that just goes into the drink. And they're doing that, and they're negotiating with the State that everytime this happens to em, that they don't know why, but it happens to em. They got extra high aerobatics in a shipment that they are allow to aerate until someday when they get more ponds, and try to cope with it better, and their negotiating, they're lawyers have been fighting me and fighting them for, fighting EPA now for three years ------, and they're still negotiating it, I am not a part of the meetings. But EPA, DEC, you know, they're always on the defensive. They don't know why or what, but they just go along with all this stuff anyway. I mean this whole thing is so stupid, and the Galveston, ah, here's my problem the Galveston turns up when I started pressing the guy yesterday. He said he did it in 88. He remembers the shipment. Doesn't remember the boat he puts it on and what not. But, in 90 this past March, he says, he just assumed they put it ---- went north with it, cause they always do. And he's certain of it but, you know, certain is not enough. I got to be sure. He said, well, I'll tell you why I can get at that, I said I don't want you making any phone calls or what not. He said this one is getting ready to trust me, he says. He says, when I got off the Galveston in January, the chief mate,

that I knew ------ from way back, who, ah, was clean chief mate for Exxon, and she was ------ shipment. And she asked me for some help. She said you've done this in the past. When you were a mate. How do you get rid of this stuff. Clean the, clean the tanks. Not who to get rid of it to. How do you clean the tanks cause this tankers so fucked up it doesn't have hot water system, and it doesn't have what we call a butterworth system. Butterworth system is an automatic cleaning system that you can't, it all ---- off the slop tank, it's automatic systems to clean the tanker, less chemical. In this instance, because this boat doesn't have the hot water system, doesn't the butterworth system it's all chemical. He says, you know, you just load up at the refinery. Gives you drums and drums and drums of this caustic stuff and he uses it, it's the third time I've the term. I use to, I heard it way back in my tanker days, but, ah, you take the cargo lines going into the tanks, incoming cargo lines, and you have a valve system and you add these barrels a little siphon and as that, as water is coming from somewhere, through the cargo lines it sucks this chemical with it. They just keep emptying drum, drums and drums for each tank, and then, the butterworth system is a crude washing system. So in this case he used all these chemicals, and you slosh it around in there somehow, I don't know how, and you go to sea with it and then, ah, it cleans the scales it cleans everything. It just eats up everything. So that it, as he's understood from my meeting the other day. He says, gees, you tell me it's illegal. I started thinking about that. I was telling her about how to use the chemical, and how she would have to use the chemical and what not, and how I used them twenty years ago when I was a mate. So, he said, I have a reason we can call em. She's at sea right now. He said, I'll call her, I'll call her -----. I said, what I wanted to know from him was that she that she lash up to a north bound ship as they always do, or she gave it to a barge, and we can check the barge. Meantime what I've done is, one of my sources has an Exxon angry man, gone from Exxon, who is a key guy at the shipyard in Portland, Oregon that takes in, that does the survey, drydocking. And he knows from his particular job, because they compete with everybody else. Every ship at dry dock, where's the dock, when, by whom. And he got friends at each place. They talk to each other. And so again my guys who's handling that is on a Russian ship. Taking a ride in a Russian ------- ship, but, ah, two of you gonna get out again, or he's gonna put me together with the shipyard guy, or he's gonna talk to him himself secretly ------- to talk to me about the Galveston she went there. I didn't know she went there but he was gonna know, he was gonna checking out where she went for me and all that stuff. Turns out that my captain said, one thing I do know is she went to Galveston. But the gal was taken it to Galveston. I mean, taken it to Portland rather. So I know she was taken it to Portland, and, ah, somebodies crazy to get rid of it at sea like that, but the rest you got



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to go somewhere with. So, ah, one of my sources is gonna know early next week, if the guys on vacation what not, what does the record say. This is the kind of stuff that you like and I like. I like to double check everything. I don't want the record to say, oh, they gave us all this stuff when they really didn't. But you know it's marked in the records. Well, I am gonna get the shipyard records. Did it arrive with no, with no tank cleanings. You can't come into a shipyard without cleaning the tank. So if the shipyard didn't take it, it gets paid a higher fee for taking it. And that's the reason they're gonna do this. So I'll have the shipyard data, ah, next week on that one and I'll have, ah, ah, another guy that put me in touch with, that said he agreed to talk to me next week, who ran as a captain on, ah, on the ships going to Alaska. And now he's a river boat pilot. ---------- he just got ----- with Exxon and quit it and somebodies been talking to him for me. He's about ready to talk they say. Then I got a captain, ex-Exxon captain, who pretty much agreed to talk to me up in New England, Maine. I got a, ah, a, ah chief engineer, which I've always wanted. All these deck stuff, I'd like an engineer to tell me all the crap that they do to. And I got a chief engineer, who's a working chief engineer right now.

1: With Exxon?

2: Exxon. Who, ah, agreed to see me, ah, talk to me, we're working on this. Ah, so I will go up and I am going to Boston, Maine, New Hampshire, ah, to meet all these guys in about a week or ten days, and I know they're all, I want to wait until their vacation time is over with, and I want to make sure they're all seeing me in the right order. Each one will be giving me other guys who left who can corroborate all these movement north. I don't need the dates. They're problem, none of em ever dates -----. Yet when they start saying, ------ your ----- to when you got off or when you left, oh yeah, right I got and I went to Galveston. So my, my thought is this. The Galveston, the Baytown I know did to, but why worry about the Baytown because she was going back and forth to Alaska getting crude, and bring crude. So they can argue it's wrong. But, you know, it was Alaska crude she could of got rid of it coming back up on her own. You the hell knows the difference. But the Galveston is the equivalent of a shoreside pet farm. She's never been to Alaska. She doesn't go to Alaska. She doesn't go anywhere. She's the lightering. She's a tank farm. Happens to be in the water. So that's, and she takes foreign flags, I mean all kinds of ships come to her.

1: Yeah.

2: And so, ah, from point of view. She is worse than some of this other stuff that I was complaining about. I was complaining about the Alaska run tankers cleaning up ---- setting up.

Because of that we also are, I am sure, from what I am told by these guys that they're product tankers cleaned out and sent to Alaska. Now that is unleaded gas, it's got everything on it. Now as bad as all that is, we can take forever trying to but all this together. What I want is to verify, so perfectly, every on the Galveston. Hey, it just happened this past March. At the same time Exxon's playing around with the 2 billion dollars restoration fund for the bay, Prince William Sound. And here they are, they are polluting the sucker, and they're shipping requirement, are not, I mean Iorossi's the, one guys was in deep trouble was still with em -----. When I found out the date, Iorossi left like May. End of April Iorossi left, and this happened in March. So under Iorossi, this other guy ---- this guy is just saved some money. Iorossi pollutes the bay and Aliska goes along with it. The whole thing, to me, all the rest of em, who we could under interrogatories after we go on the attack. But that, and now, you convinced me separately that while I am getting all this stuff on the Galveston, ok, down pat, cause it's the one that's got all the pizzazz to it, Exxon etc., Prince William Sound, polluting. This or the one I got in San Francisco. Hey, a guy in San Francisco disappeared on em so he's unable to see em. We think he took a quick job and out somewhere. The government is taking everybody right now that they can get their hands on. The guy that was watching San Francisco for us is on, ah, sea or something. Disappear on us, and that's happened before, so, we'll hear from him sooner or later. But the Arco guy who's on site, working right now, we, we, if everything had dumped here alright, we were ready with Galveston and ---------- at this whole package. Then if you find out they flushed it back in, whatever it is. We got to catch them in or out up there, because what they'll do is they'll force them not to accept it. EPA won't let em accept it, and they'll have to pour all this ballast into a barge that they'll have to find up there and ship it all the way back south, it's there water. That will be the argument. They won't maybe do it, but we'll see. But we are, I agree with you now been realizing more and more ---- that it was done, and we know they are doing this ---- practice. Catching one, ah, and we catch it and we do are action while it's in ------. ----------, but, ah, we'll at least know that it was just done again, ah, ----------.

1: Yeah.

2: But always remember when, when your talking to your people and they say oh what the hell, they're not that stupid are they.

1: Did this kind of thing go on when you had a tanker?

2: Well I.....

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AUDIO DUPE OF VIDEO EXHIBIT 30, TAPE # 30-3

ch: When you talk to your people and they say, oh, they're not that stupid, are they?

wb: Does this kind of thing go on when you have a tanker?

ch: Well, my little tanker was way the hell gone and back 13,000 ton, we were carrying green in it. That's where the money was.

wb: You were carrying green one way and oil on the others.

ch: --- carried the oil. One of those things. Which is good for green. She was like scrap iron, we were cutting holes in it which is which is very hard to find in Japan. Made a cargo ship out of her. I'll bet the guys will tell you when we get the guys like the captain who is not going to be afraid and you don't have to talk to the captain as long as he keeps doing what he is doing, I called my network. When the networks deliver in 48 and don't scare off my meeting another person and I said, because who he is sending to will say the same thing. But the guys who have left that will meet with you one time in confident and give us whatever we need on affidavits even if its the kind where I swear to you guys its done so you go and use it but don't give up my affidavits to somebody at least who you know.

wb: Yeah. Don't worry.

ch: Well, in this case, you're gonna find that they are going to tell you that, like these barrels, you arrive here in Texas at 6:00 am at a spigot literally and the guys never go ashore. Pry a bolt breaks into a spigot, they bring us stores and the barge brings us food and everything else to go for the next couple of days. They transfer people around. There may be a gang plank all the way to shore or not. And you're there for hours. And they load up that ship and all your guys are working like mad for hours. And you're going. Maybe in four hours, six hours, whatever. And the stuff you've been accumulating in these barrels and whatnot of crud, you haven't got time to ship those back ashore. Somehow, I never found out, he was so scared to tell me last time, that is present, but I know from a mutual friend, some of these barrels were given to them by the refinery and it had to do with diesel, bad diesel or something. I don't understand what the hell it was. Something they had that was no good. And the refinery had a problem with it. And they were giving it to them to take care of. I never found out what that was. And, uh, they'd lash into the back of the stern of the boat all the time. There's no railing or anything around there. And they get out here somewhere at nighttime. The crew has nothing to

do with it. The chief mate cuts the lines; things fall overboard and its a common practice. But they all do this kind of stuff. Probably what gets me the most as I keep talking to each of these guys is when I sat on my own beach trawler one time on Johnson Beach; its terrible also the way he's bitching about it all the time and we too went out one time and we had to ... and they kept saying its these damn tankers out there and it turns out that every guy that I've talked to talks about cleaning their tanks at sea even on the Florida coast as long as its a busy shipping lane. That's one of the busiest shipping lanes I've ever seen is right there. As you look off to Miami, you see those tankers going by there all the time, Johnson Beach, and cargo ships and the Russians and ARCO all that stuff, and every guy there, there are companies like they remind me there are foreign flag ships, for example, and American flagged privately owned ships that even Exxon wouldn't do whereas they just never have ever had a problem with tank cleanings. The stuff I am talking about has never reached shore. It never reached the barge. They just flat out get it all arranged for a stormy day in busy shipping lanes and dump it. The Coast Guard never spends the money trying to track that stuff down. Its easy. They go get a sample of it and you'll get the ship that you think did it and you match it with the fingerprints. The Coast Guard doesn't do any of that. They don't have the equipment for it; they've got too much trouble chasing drug guys and whatnot. But that stuff in Florida is pitiful. All the stuff that you are getting in Florida that I was talking about and whatnot whic affects everything out there, the reefs I'm sure. But that's purposeful cleaning, tank cleaning all the time. And its against the law now, you know, American ships unless they're, the only way American ships can do it is on the way to the Middle East or something. Then its not against the law. But if you go in port, an American port, you can't do it. Even if you're outside of the 12 mile limits. But you know and I know if we wanted to, if each chief mate had to come back and sign a certified document that he's never done it, he'd get so many enemies on that ship. When something is wrong they got to consider it, not consider it, but you find some way to get at it somewhere, legislation is required or whatnot. You know they can't do it if its not on his committee. And the regular committee won't do it because they don't want to screw the ship owners. But if each chief mate when they get ashore each time had to sign a document that if they even spilled, in an accident, they screwed around and somebody opened the wrong damn valve a little bit, that's accidental but anyway, if each one had to sign that document when they come ashore and the captain, too. What's wrong with three guys signing a document: spilled? accidentally? purposefully? Then they're not going to do this type of stuff off the Florida coast because somebody is going to squeal on them somewhere. And if you have anonymous people start

talking, not even anonymous, they are mad, the guy that got fired by them and is not going to see them anymore, screw that guy, go squeal on him. And that's why with Aliaska all they've got to do is have the guys sign that they took it on and there's too many enemies, I got each one of these guys telling me how they have some enemy over there that they wished they could ... it was funny, you know.

wb: Speaking of you telling of people leaving and people disgruntled, people quitting and fired, there was this guy that you told me was going to Thailand because he liked little girls.

ch: He is going to Richmond, Washington and his folks live there and he quit without giving his 15 years I understand; he had a year and a half to go. He tells me he quit because the terminal was ready to blow up and he just wants out.

wb: What terminal?

ch: Aliaska terminal.

wb: Physically blow up or blow up?

ch: All the guys tell me that. Its just like the refinery blowing up; its leaking vapors all over the place; I know something is going to cause a spark and the whole thing is going to go. And everything is rusted. I'm not talking about corrosion like you and I know they got corrosion, rust. Nothing's working. And they won't spend any money fixing it until they get caught. Now this new task force fought a lot of that but, uh,

wb: So, he's out though.

ch: But he's not only out but he's been waiting for a year, for a year and something he's been sending me messages but didn't make the movement; I wouldn't make any more moves either. So I called him the other day and he's pretty good on the phone. He said he had a lot of friends there; you'd be surprised how many people are my friends, etc., and he'd work with me but he also was apprehensive a little bit about he hasn't gotten his last paycheck from them which you would guess that he hasn't got it. He hadn't heard from them since he finished his last day. But he's negotiating with them; they have to buy his house; they had a buy back agreement and they're screwing him all over the place on that one. They don't him to make any profit on it, of course. He'd been there fourteen years but (tape interrupts) Aliaska built the house for him but now they're finding everything wrong with the house. The fuel tank is too close to the house; they put it in, not him. Everything they are giving him a hard time about for

deductions are all theirs; they built it. Anyway, so I detected that he was, he said he had a little building problem and he was tired and he was still sleeping but he was going to sit back and take his time and think for me and work with me; a little memory problem so I understood what he was saying. He hadn't gotten his checks from them yet and he thinks he's being ...unintelligible... and he doesn't know to who he's going to sell it.

wb: He isn't soliciting money from you, is he?

ch: Oh, no, no, no, no, not at all. No no. In fact, I've been able to just kind of, he just found out that they were screwing him in his negotiations and now he's out even harder and at their mercy. So I said, well, there's nothing I really want from him right now; I've got so damn much on my mind so much going and I am, I don't need anything. Except that when I thought that he was going to Thailand is when I wanted to get everything I could from him before he left. He's not at all; he's going to Richmond, Washington and he's going to work at the Hanford nuclear plant and that's where he used to work. He's got thirty years as a machinist, six years as an engineer, and he's going to make as much money there as working for Aliaska. So why stay? Even he'd lose his fifteen year retirement because he's was the machinist for the entire pipeline. Everything up and down the pipeline, something special that he made. He just stayed in the shop, he was a machinist all the time there; fourteen years. Because of that, now he's got an opening at that other place. So I told him, look, when I am going to Seattle to Marysville, Candy's mother, father and brother lives there, and he says "You come over to Richmond for a couple of days, you can do whatever you want."

wb: That's great.

ch: So I went. But I have to go out and I've got Christmas or something out there; I'll be out there before Christmas so I'll be talking to him. But one thing he gave me that I knew about, but is good to have someone else tell me, the entire fire water system in Aliaska terminal, you know, comes a fire, firewater system, is so rusted that they literally have fire -- pop out of the ground, go pull open from corrosion. See, the firewater system is sixteen feet down. And what they use is seawater and like this guy says from the very beginning he says, "I'm no genius but I'm an engineer and I'm a machinist. Why would you use seawater to keep your firewater system charged up? You could use fresh water. They have a stream coming down the mountain and they could use that freshwater. They use it for the powerplant. They use the powerplant water coming out of the powerplant and keep it. They don't want that kind of complicated thing. So here they had fresh water,

which doesn't corrode, because they didn't, they were supposed to put stainless steel pipe and they didn't for the seawater; they decided not to, to save money. And they have black iron pipe and its just rusting out. So he's the one that has to rethread things to make it, to try to build something up to make everything hold together down there, glue and string, to keep the firewater system operating. I knew it was leaky, it was a terrible leaky system, because they put huge new diesel pumps to keep it charged up for God's sakes. So, that I was getting from my other sources, but it is good to have someone who touched it, felt it, played with it. That's a big difference. So I'm going to spend some time with him on that because I reported it to the fire department in Valdez and this is within their fire district and whatnot but they won't let them on site. They say the hell with the fire department and told them off, they pay taxes, big taxes. So I don't know what I'll do with that but anyway, I'll play with that with my "Outsider" magazine issues because employees know about it but not enough. And when the employees know that their company has this kind of problem and is not doing anything about it,

wb: I'm going to talk about that; I'm glad that you brought up that "Outsider" magazine. You're still going to do that?

ch: Oh yeah.

wb: We'll do the mailing on that if you want. But its going to cost you. Its going to cost you stamps.

ch: I appreciate that. We're going to do a lot of things together. I've got some great ideas.

wb: Well if you want, we'll do it.

ch: Well because, uh,

wb: Rather than have Kathy do it out of your house.

ch: One of the guys has given me, uh, a hard time on it and he's a very important source to me and the hard time he is giving to me is why I'm not rushing into it. And he's off where I can't reach him for one week. I don't talk to him when he's on the line. But he wants to be so sure that, he says, you got credibility around people right now. Its out of sight. And the way you come out with your first issue and the way you say things, what you say, you've got to maintain that credibility with them. You can't be anti-killbody. Now you see they don't know who you are, you could be anti-company. They know my deal is I've helped on land and all that stuff so right now its fine. I'm just a vehicle for the people. Its an employees magazine unto themselves; an employees newsletter to themselves and I'm just a tattleloop type thing.

wb: What I'm offering you is this. If you want to include us in the damn thing.

ch: I can't. Because I don't know who you are and I would be scared for now.

wb: OK, but if its going to be anti-company,

ch: No. It's not even going to be.

wb: But if you want it to be anti-company

ch: No.

wb: it can come from us.

ch: No. It's not going to be though. You see, I'm making them be the judge. Every time I am sticking something to them it would be they would be the judge.

wb: Maybe later we can add in

ch: OK. At the moment they know who it is, let me show you an idea of what Aliaska is all about. I'm deviating all over the place but just to give you a feel for this stuff. Here's the pump station. There's twelve of them involved. Your pipe, your oil comes in here and it goes out here, OK. And they got these big turbine pumps.

wb: That reminds me. I'm sorry to interrupt you. Did you get that diagram? You said there was a new guy that was going to send you a new engineering diagram.

ch: I forgot to bring it.

wb: But you've got it.

ch: Yeah.

wb: That guy works there now so he's not going to go away or

ch: No, but I've got people at each pump station. And this guy, not each of them, anyway, this guy, there's three pump stations that have refineries. Little refineries at the pump station. And they refine oil. Crude oil. And they take off the jet fuel and run these big jet turbines and diesel turbines that they ship off by truck to the other pump stations and jet fuel and diesel to run the big powerplant at the terminal and it houses this big operation. There's three refineries, OK? Now, each of these pump stations has a huge tank so that if there's any kind of pressure in the pipeline, it just backfalls into the tank and relieves the pressure in

the pipeline so it doesn't blow the thing up. Now, what happens is they've got another little pipe that goes from here to the refinery. Normally, they just draw it right off the pipeline for the refinery. But to run this whole operation, we got over here a great big like a flare system. Knock out pots for vapors, etc. And huge, its a huge operation, OK? Where all of the vapor accumulations that are trying to pop out of this whole facility have to go to be handled and then they go through a big flare, etc. The reason is the original law says that we are going to provide, and they permit that job, this is the first time they got this permit thing and all these years I didn't know about it, I got it from Ray Nye the other day, the guy that is in the EPA that stays in my house, he just got back to work and I was describing all of this to him and he says, well, I'll send you a copy of the permit. The guy that's got the paperwork is up in Alaska, so, the permit way back when said there would be vapor recovery at each pump station refinery. There would be no emissions into the atmosphere. Very clear. I had hearings on the stuff but I never saw the piece of permit page itself, the permits, the sig. All I want is that page. So that's being sent to me. What they did is right after the start up, they got everybody happy with all this stuff and everybody tours it, the environmental groups that lost it toured the pipeline, they showed them how everything was, and I kept seeing that everywhere they toured, as soon as they finished the tour and everybody got taken care of and they'll never come back to bother us, save money. This costs money to operate this. There's guys, there's people, the corrosion problem, everything falling apart, so this is only a couple times a week you may get backflow into here. Now that they're adding natural gas liquids which they weren't supposed to, this tank can't hold it, so its got to vent somewhere. And as soon as there is pressure here, its got to get out. Butane, propane, benzene. So, those suckers disconnected this and they disconnected this and they open this up. And there's a constant flow into here all the time equal to the flow from here to the refinery. Now, the people that work there, they don't understand all this stuff. Honest. Because everybody is, this story you worked at Aliaska, this is your job here. And this is your job here. And this is your job here. And you got cross-training and whatnot but just nobody understands what is going on. Meanwhile they are venting to their own people and everybody is sucking this crap up plus the environment. But it was unnecessary. So the final word is none of this operates and just a constant natural gas liquids that come down this pipeline at eight miles an hour and all this turbulence because of the natural gas liquids in it, it just wants to get out, just like at the tank farm at Valdez. So there's a constant flow of emission from here. All the time. That EPA doesn't even know about. And they are requesting of Aliaska and all that stuff because they didn't

know about this part; all they know is that its not working right, something is wrong. Well, what do I want to do about it? There's two things they are going to do about it. One, either fits the newsletter as an issue where, you know, here's what Aliaska says but here's what the permit says and those of you who work there know that it was disconnected way back when and is that what Aliaska is all about? Is this the way you feel about your company? That these lies should continue. Something like that. And then the press gets a copy of it. But the company, the people, at least what I am trying to get at is they are unnecessarily getting polluted. The human beings. I mean, they're living, they are breathing in this crap all the time, when they didn't have to be anyhow. And their health. And they are all talking about their health. They are all worried about it. They all know that is my issue. Then the other thing that could happen but I'll know better when another 10 days of this one, and none of this would I do in a hurry anyway, I got too much to do, so this is going to be like the third or fourth issue of the thing, but it may be that there's a legal aspect to it and that's your court. And if your attorneys look at it and they play with this and Ray Nye will tell me off the record because he is the EPA head of this whole thing, he says he's not sure the way things way back in 1977 what kind of teeth were in the regulations when they made this but the good citizenship was certainly not there. So if there is any legal part that could be done, which EPA doesn't rush into anyway, like an un-PDS permit 60 day notice, that'll be all I know.

wb: Why doesn't Ray Nye go up there and raise hell?

ch: Because he works for an administration that doesn't do. I mean, everything he does on this issue comes all the way back to Washington and sits here for weeks into months to be approved because you're touching the oil companies. And what he's done is unreal, he's done more than anybody that gets in, he's got real murder roles all because I had Bennett Johnson write that letter and he had all that stuff to work with, without that he'd never have been able to do what he did. And if it wasn't for the Exxon Valdez he'd still be working for asses from Aliaska. It's not a big deal except that what I like about this is the employees. Each one of them at every station is getting nothing but crap, I mean, emitted. So this one, there's only three stations, but so cut and dry and its so absurd that they had it. And then I did another thing, a report that is coming in that has been sent to me and I think its in my postal box because Ray said he sent it to me last week but I haven't got it yet. Anyway, he sent it to my postal box. He's got a report, an in-house report by Aliaska, everything I've complained about the vapor recurring and whatnot, he's got an in-house report of their own on a study that they've done way back when saying we can't do this, we

can't do that, because of the emissions. If we do this, this, this and that, we won't have these emissions. And they said no. Just like this one. The hell with it. And this may be ...unintelligible...

wb: And he's got it?

ch: Yeah, he sent it to me.

wb: What about those boxes and boxes of in-house things that you have? Anything in there along these lines?

ch: No, my stuff, for example, identifies stuff, just like it identified the corrosion thing. My stuff, one thing that I've got that

wb: And you are still getting these. These people are still

ch: Everything that I do, seven, eight a week.

wb: Do we want to put those in the brain?

ch: The effort to put them in at this stage of the game, I mean, just to get them ready to put them in, uh, here's what I am up to.

wb: I mean, bring the boxes over. We'll order them.

ch: Here's what I'm doing. You gave me the idea the other day. Candy has been trying to kick me out of the office. And she's really been bad about it. But I have the house. But to be my neighbor, as soon as Exxon comes through, I move. As soon as I sell. Oh, I didn't tell you what happened to my little copy with Exxon. Had they settled me in July with x, well,

wb: Congratulations.

ch: I was winning. I was only looking for a few million. But we'll see what happens. Worth double. My guy says my action is in just all the computer rooms, everybody in the whole company get them all to sign it but it's never going to go down again; its over with.

wb: What I am saying is, if your game is to push a

ch: OK, I'll answer your question. I'm sorry. I am, across the house from my house, you saw that where that little, we're at the chart house. Near the chart house or my house is a big building there. And the ground floor has an operation that is like yours. I never bothered with the name. But my neighbor, I told her, so I asked her questions about the operation yesterday. And she said come on over. And it turns out that

the corner office, which is, I wouldn't move nothing, I told Kathy that Howard wanted it upstairs. It turns out that the upstairs, I went and looked and I knew the people that had the upstairs. When the real estate company is doing bad, I can get an office there easy and whatnot. But the view, the bay windows are so high that you got to look out this way. And on the ground floor the windows are so low, you can see my house, you can see the park, you can see the water and the patio. And its just, its all windows. You know that about the rain. And they're hurting. And the guy is moving out in two months. And they're renting the rest of the place, too. This is all guarded because Bush's son is in there; he's got an office there and the Secret Service is all over the place. They park in front of my house to guard it all the time.

wb: Really?

ch: Yeah. But they park in front of my house. I woke them up one morning; the guys were both sleeping; they were supposed to be on awake and one sleeping but they were both sleeping. So I tap the door and say "Hey you guys. One of you has got to be awake here. If you get caught..." Anyway, my ...I'm getting up as far as part of the day and I need a secretary. And I just, I had a secretary that I thought I'd never have a secretary again because she was so perfect for my deal. I don't want a gal around all day. I can't stand that. And I don't want her except when I need her. So, what I'm looking at is I've got to file; I've got so much to file. And I can't function. So I am going to hire a secretary part-time, take that office, and this is my walk-over with Muffin and they allow dogs. The lady has got a dog. And I walk over there and even my portable will work all the way over there. I can use my portable right there in that window because I go past there. And I'll take, not my sensitive stuff like my call telephone records because that ... can find all my people that I am talking to. But everything else, I got all this stuff that you are talking about in boxes of it because when I had to move out of my other office in a hurry because the lady came back to the house, I just piled everything in and never looked at it. My notes, my trip notes, you name it. So, I've got to sit down

wb: Those things you have to transcribe, but hard copies of like some of the things you've showed me

ch: But its all mixed.

wb: when Rickie and I were up there. What I am saying to you is that I've learned more about the ins and outs of this stuff from you in four or five meetings than I could ever learn from books and what I'm offering to you is, if you want to use it, we'll plug in the disc whatever you or our guys. I've got

this guy Vern and this other guy, I mean, they're working full time and, you know, they're like, like your secretary. Sometimes they're off but I am still paying them. If you want to use them, bring the box, we'll do a box at a time. Whatever you want to use, we'll load it in there and give you the disc.

ch: OK, because then we'll do the, like, no one has what is called the "Insider", the newspaper. And its got data that is very useful and until I get it in there and pull it out, its not going to be useful. They stopped putting '86 stuff in, ever since they knew I've been using it, but the old stuff I got from my '85. But what it also has is, each employee, when they get promoted, where they go and whatnot, and comes a problem, you start finding all that in there. Nobody keeps a record, has a record like that. So, its just hard to, I talked to Ken about it some time ago, but --- it would be good practice for him because its got good newspaper stuff and whatnot too. But we put that all in to start with. Then I have enough to stack. Then I have a bunch of their, I don't think I showed them to you, a bunch of their memos, their coroporate exchange cables, they call them. Five, six pages of their corporate exchange.

wb: You did show me some of those.

ch: And that, I got tons more in boxes, but those that I've spent time trying to go over, I've just put them in chronological order. Now, if you guys put that in, because I was going to have this girl do it too, is put those in. Where Readware happens to be useful is when there is maybe fourteen issues in the bi-weekly coax cable, something happened in ---, something happened here, a corrosion problem here, all that is in there. There's no way you can file that. And how do you cross-file something like that? Especially if you don't even know it, I know, I've read every page of those, so I know if I want to find something, if I had Readware I could find it. It paid for, like having them paid for themself fifteen times over. When I was able to find for, just by playing a little with Readware, what I already put in the file system and asking the Readware, I found two references to those secret meetings, that secret that nobody knew about, that prior to the Exxon Valdez, the two meetings that the oil companies had about, they're in trouble, they can't handle the spill because of Exxon.

wb: You told me about that.

ch: But that was dynamite. Now Miller has gone out and done something with that.

wb: Those are the kind of memos, those internal memos that you get

out from under them, that we should put in there.

ch: Some of it is already done. And, uh, what I would have to do is just keep pulling some more out and where they're not, somebody doesn't have to restructure them into chronological order, because I've already got them in chronological order, but I got a lot more. It just takes time for me to stop and dig that stuff out.

wb: Yeah. Excuse me. Hello. OK. No, do what you could, its a work (tape interrupts before end).

AUDIO DUPE OF VIDEO EXHIBIT 30, TAPE # 30-3, END.

WB:kt (Ken Tammenga, Office Specialists)

AUDIO DUPE OF VIDEO EXHIBIT 31

wb: Yeah, OK, well that sounds good to me. And I'll let you know as soon as we know. OK, all right, thanks. OK, I'll queue up some of that stuff so they can start faxing and we already have a lot of stuff in there already. I'm just getting what we already have. Let's make a master and we'll pop those discs and give him, the point is you've got at your place, you've got, if you show them two or three floors, boxes and boxes of documents. Some might be general stuff that I have.

ch: I got, for example, the original plans of Aliaska's refinery. I mean, the whole pipeline. I have the original plans, some changes were made, its not important to them, but this stuff just keeps coming in.

wb: I'll tell you what is important. Informal memo included in the newspaper.

ch: The "Insider" has, well, its an issue that you and I have to talk about.

wb: But those internal memos like these, I'm telling you,

ch: I don't have that much of those.

wb: Well, if you have any more of these, if you can get any more of these internal --- to our computer,

ch: I haven't gotten any lately.

wb: These are incredible.

ch: That's why I was very low key about her finding out who Heckle is. Because I wanted to ask her to see if she could get another round of the stuff. I'm very slow about these things. You have to be casual about it or else you get too anxious and

wb: You think she can get some more of these?

ch: I don't know. It all depends on the person. If she feels like ---. People run up and down like a yo-yo over there too, you know. If you live in Alaska, --- unintelligible ---, and bad weather and whatnot, if you live in Alaska, the weather can be bad enough, it gets too furious you get snow dusters. That means you get to sit in Anchorage and see the snow coming down. It doesn't hit the town, it doesn't hit you because you get rain but you see the hillside and its all snow. Uh, and Valdez just got rid of the snow a month and a half ago and now they have the dusting again. You really have to go just by luck. If you get the stuff again, for example, Exxon is trying to say that they are not responsible for that shipping

company. As soon as she calls me again and she talks about -- - and whatnot, I'm going to see its an in, go ask your friend what she thinks about Exxon's feelings about they have no relationship and that's how things happen. You know, yeah, I've got some more for you baby. One thing that may be, I am waiting for Miller, what to do about it. He was busy on other stuff and now he's so busy. I've checked the schedule and he's got two hearings coming up in September for child abuse, child care and that kind of stuff, and some, like a Congress forest type thing somewhere. I don't know where it is but anyway, ah, like the Redwood Forest or something. So he's got two hearings in September and ---- only be in for a months, and he's got to be campaigning, ah, he's not about to handle this other stuff when I interview him that I had for em, I don't think to me. What it is, is ------ about em, political supports,ah, -------- up, ah, I had it set up as an outsider thing and we're going to point out to the people the testimony and how they lied. He lied on their behalf, their gone. What do they think? But what I had in mind, but it may be that, ah, it's an illegal thing involved here. And his wife, you got the underground, four miles of pipeline is underground, four miles is above ground, hey, and this was a national big issue. And the underground was corroded. And where it was corroded there's fifty cent pieces ----------. Fifty cent means their gonna pressure him anew, and, ah, it corroded small dimes and quarters all over the place, but the bad ones were a couple of fifty cents pieces. It a big issue. And it's gonna be several billion dollars to dig that all that crap up and fix it, and I gave that out way back when, the corrosion thing, Miller ------- times. The LA Times is very interested in this thing, but they don't understand it. They haven't turn up any more because I don't want to go any further cause Miller was handling it, and Miller didn't have time for his hearings, and didn't handle it right. But he did at least ask about and he got, he was afraid I was wrong when I said we have no problem. The vertical supports, we don't have a corrosion problem -------. Petrick says ------ thing splash and he panics, didn't hit ---- for awhile and that's why I was sitting behind laughing ---- what are they gonna say. They lied. Under oath. There in court. And I'd known for years that they haven't. Now ----- semantics I can move - ------ Canada and told Petrick ----- smart asses, they gonna find these British semantically ------ corrosion or something else, ah, and this is where they -------- hydrogen gas leaking here ------. When he went home, two weeks later, and the insider, first of all, the following week was a nice story in the insider about them testifying and everybody thought everyones fine, things aren't so bad after all. No big deal. Perfect hearing. And two weeks later, Insider says, oh, guess what. We're having a problem with the vertical support on this and the Batel has studied it and they think they found a solution to it. An explosion problem, corrosion problem.

Batel Lab has been on it for six months. It started after the Exxon Valdez and that was the corrosion problem on the underground that they were working on. So Patty Epper of the Daily News asked the head of the pipeline, on two occasions, sort of casually, while they were talking about this subject. Where he said was I 400 spots and I told them it was 800. So she kept needling em. She told em she had a source that had 800, and he said actually, yeah, but we haven't finalized the report on that yet. What does he know? So she watched his attitude. What about the newer problem? How about better support? No problem. You'll have better support on this next time. No problem. Hell, but things are sinking. --- but the vertical support is in plain view of that if this is down six inches here and it states that the correct place here, you got incredible stresses. And you have those earthquakes which they have up there, that thing will pop open, pour around there quick, OK. And the equipment, the turbines are --- either, there's a lot of reasons why this is a bad number. Now if you are looking straight down at the pipeline, here's the vertical supports and here's the saddle its on, its the pipeline, and its just free moving. It could go this way or this way.

wb: Um hm.

ch: Just from an earthquake, anything. But it can't go up and down. Well if it can't go up and down, and you've got a situation where stress is developing because they're all dropping by inches, then you've got a bad problem. It turns out to give this report, about to the Tel lab, because they lied to Congress; they're about ready to get clobbered with it, they better get their people ready for it. They've done it every time I've come in from behind on them, I'd always read in the "Insider", they'd cover their ass. So, I said, well, they cover their ass, they must know that the Tel lab. If this suggestion is going to work on this hydrogen gas that vibrates it, that they've learned how to cope with it. So I started treading water. Because they got rid of me on the subject. Because I don't have a source better than what I've got. My source says they are still waiting on the Tel lab, but if the Tel lab thinks its got answers to it, by the time it trickles to my guys, I have a limit, so I didn't press Miller anymore because I don't want him to duck forward. I got enough things to do and I didn't want him to fight and then, sure it was a bad deal, but like you said, I didn't want to catch him today. So there's a bad deal, but we solved it. Well, its not the same thing, then there was hiking on something too much; too bad, they lied, they kept it quiet, but too late. Well I found out last week that the Tel lab didn't succeed. And its not working. And they don't have an answer. And they're going to have to replace all these suckers. Its like eight hundred million dollars. On account

of him. But when they replace it, its with the same old stuff. It ain't nothing new, they don't know how to solve the problem. They're even saying they think it's the northern lights that's causing it.

wb: Northern Lights causing the gas?

ch: Causing the gas to migrate through metal. I don't understand how, but it is happening. This is, this is a sealed deal and hydrogen gas, somehow, from the atmosphere is migrating inside this ---- and it gets into the, into the, what do you call it up here. The veins up here and takes up the space of the liquid turned into gas comes up here to be cooled. So it doesn't make it, doesn't get cooled and the and the thing sinks.

wb: The heat, it allows it to heat?

ch: Well you see.....

wb: Melts the permafrost.

ch: This is on the shoe down here inside the permafrost. Permafrost is 13 inches deep downward and icy here, and as, as the sun shines, which it does. It was 90 some degrees in Fairbanks the other day. The sun shines on this pipe and heats it up and as the heat comes down the pipe this liquid down here absorbs that heat and vaporizes and it goes to the top of the veins, the radiators up there, ah, even though the suns shining on it the cool air in Alaska cools it off and drops it back down again. So it's just the heat. Now, what's happening is hydrogen gas is migrating in. They don't know how. And it takes up that space. Now, I agree it's not their fault. It's happening. They never dreamed it would happen or they wouldn't of had the system. But the point is many years ago I started monitoring this. This is a mental thing over here. It's not in the paper. I never even wrote it down. Many years ago. But I should have been putting all this stuff in my computer, but I get my phone calls at 2 o'clock in the morning. I lay in bed and I hear, and I got a good memory.

wb: But, if your still getting phone calls you got to.....

ch: But now I go up, I started it over a year ago. I go up and just put it, I have a memo pad in my computer.

wb: Dictate it or something.

ch: Yeah. I just go up there and as they talk to me, I type it in. All of em think I record them. I never record I just don't try. And then one guy said then why don't you record her when you talk to her the next time. I can't do that.

wb: Why not?

ch: Just. Just not my style. Sorry, I don't want to have people ever say, well, didn't you record me? Sometimes I did. Didn't you record me? I said I don't do that. Well, gees, you should. Well, I don't.

wb: It's just as good to take notes.

ch: Well for some people recording would be great, but then I just, I don't think I would like to be volunteering stuff to somebody and they record me, even though I don't mind on certain issue here the details, but on every conversation and everything, I just don't.

wb: Yeah.

ch: I have a machine. I recorded my ex-wife. That I did do when I had divorce problems way the hell back. I had a machine, I would press the button, and record her anytime I wanted. But I never recorded anybody since then. I just can't. So, but I, you know, sometimes I do have the recorder, and I am trying to think who I was working with. That was business in my offices in Anchorage where we dictate stuff back and forth. My French guy in France. When he calls in and send me some stuff. Some time we agree I'll record it and I can hear it. My French is good but not that good.

wb: Well if you got somebody to type it, that's great.

ch: It's not the typing part. It's just not my style to record somebody ---------- later on or something. So here's whats important here, I think. Ah, 5 years its been since I heard about it. And you figure 5 years ago when they were making a billion dollars a year, and I hear the local idiot engineers at Aliaska were trying to solve this problem. I and I couldn't believe it, and I kept monitoring it. ---- still trying to solve this problem. That you and I would have hired every company in the world because a million dollars here, they never, it's secret. They didn't want anybody to know about it and the guy that's feeding me is right up to here on it.

wb: Could we get those reports? Will they talk about that internally?

ch: I don't have it. That stuff is up in Anchorage. See because of me know they have, ah, video on every file cabinet.

wb: No?

ch: Oh yeah. Valdez, when they put it in I was a pretty proud

peacock on that one. Because of me there's a building guard in Valdez. His job is to watch the video of the file cabinets the minute the office closes every day. I had people I know in the file cabinets photocopying. Again to show you an idea of what your dealing with. The building, the building guards at Valdez.....

wb: You have enough people that they're photocopying the file cabinets for you? What's in the file cabinets?

ch: Way back when. You can't anymore. What they couldn't pick out that they thought was interesting,

wb: Well, they work out of the file cabinets, right?

ch: No. I had some one who worked on the file cabinets. I never asked her. She offered, I wouldn't do it. I mean, God, she worked in, its her file cabinet. I've never gotten anything from her I didn't want. And we don't even talk to each other anymore. I don't want to talk to anybody. When I can't control what happens to the people and they lose their job, this --- couple of kids, I mean, I don't want anything from that woman, ever. I mean, its her file cabinets. But I had something else -- in her file cabinet. In the evening, its the nighttime, I had a real deal going where I never asked it to be, I started getting this incredible stuff. I said, how the hell are you getting it? I said, have you lost your mind? Like I know what I'm doing. Have you lost your mind? I know what I'm doing. I can handle it.

wb: About this stuff?

ch: No. That party was just going into the files and finding anything funny and that's where I got the data that the federal court judge had ruled on. It was that kind of stuff. This person was going into the old files, this is interesting, I'll bet you that for every page of good stuff I got fifteen pages of worthless stuff. But it was so unbelievable in that this stuff, at the time, that's why they went to the federal court to try to get it from me, and that person's gone and people who worked there in the daytime, one of them was available. I just wouldn't do it. What I can't control, I don't want. I don't want somebody's life, not their life, but you would get hurt, you know, lose their job, and I haven't got worth all this time to take care of somebody. For what? First of all, I wouldn't ask somebody to do that. Uh, but everything I get is because everybody so far has approached me. And that's -- now I'm getting more of it than I can handle. But they have this, they know about me through word of mouth, everybody's joking about who is, you must be his hands, you must be his horse, and they are all saying, no, he's got sources way up on top with the stuff he comes out

with. Everybody laughs about it.

wb: And that drives them crazy.

ch: Oh, it drives them nuts. But, on this one though, Wayne, look at this, its unheard of that anybody would do this kind of thing, their own engineers fussing around and not going to watch them all that time. Now I got shortchanged recently when I thought that they'd solved it, and I said, well, I'm elated with it and too bad. But now I've found out a couple weeks ago that the Tel doesn't have the answer to it, too. Meanwhile, Petrick's traveling, Will is traveling, I don't know what to do with them either, but they've committed perjury on it. I'm, uh, I think what I got to do on that one is I do a memo just like I've done on this one here for you. And give you the testimony.

wb: OK.

ch: See up here marked testimony where I hadn't asked a question. Its only a couple of pages. And they flat out lied. And if you see their own material afterwards, where they tell their own people they have a corrosion problem, but they've got it solved, and now I'm telling you they don't, uh, then what can I do about it? Nobody can, see, Miller normally would look at that and say, what, commit a perjury, sign it over to justice, and I don't have to tell you what justice does. But since there's a pollution problem, if that thing pops, you know, we got real problems, the pipeline. Everybody's looking at --- again and whatnot, and it just came to me this past week, I says, if I wasn't doing 50,000 other things, I'd put this together and where I wanted to give it to the employees, and then a copy to Miller, and Miller could make noise about it, Miller's running so fast that he almost needs, if we go do something, in the seventh forum, where we can bust this open, see, this is dangerous, then he could pick that and run around congress and have a lot of fun where he's not him saying it again. If they lie to him, he's going to run around, you know, they lied to him. If somebody else says they lied to him, and of course I've got the Los Angeles Times wants this real bad and they don't understand it and they are waiting on me. They've offered to fly here to visit with me, they offered me in Alaska when I go, they really are after me on this guy. Uh, Ross told my guy, where the hell does he fit on this one, anyway? But, I made a mistake two days ago when my lawyer and my guys suggest we meet in L.A. for our final negotiations with Exxon on their property. And that somewhere in within three weeks we had a meeting somewhere and we had a three day window to make our deal and I just stuck it to them because I've got, that's why I've been busy all this time, the head of two oil companies, the Belgian and French oil companies, they compete with over there. Both head chairman

are friends of friends and they know me because of acquaintance-wise and they both offered to induce Exxon for me.

wb: For the purpose of the settlement.

ch: And I didn't even ask them. But our mutual, I used to have a joint company with them. I used to have a lot of fun, anyway, but I had a joint company with Shell, BP, Alfa Torton. I had half, they had half. I had underground storage terminals juts out a lot wider, environmentally sound. So, anyway, I don't have to tell you I have been busy this week on that stuff.

wb: Exxon thinks these other guys might buy you?

ch: Well, more than that. They, they, my lawyer, I have to send a memo to my lawyer on it and he's going to tell Exxon that these guys want to buy me. Well he's not here to buy me. Therefore, when they open up their files to them, they are going to go absolutely bananas. But they have to come up with something when we disagree. So if we don't agree within the three day window, then we assume or they said they could give it back to me and I could sell it to someone else; I mean they want a piece of me at any price, my partners and I, so I am telling them, gee, uh, rather than wasting a lot of time here, because I know they were in a hurry to start the field now because of the crises, why don't they let talk to a la France and Petrofina, which is United States, American country Fina but the Belgian parent, chair them and whatnot, let them in and see what they got so we'll save a lot of time. They'll go bananas. And I told the Frenchman, I appreciate it, but I said, look, you would take another month and a half on the side and I want out of this thing so bad, I've got my life, I want to look at these other things. So, anyway, does he have a check? You know what is going to happen. Just throw our name in there and the whole thing, we'll be visible, we'll send you want ads out here, so if nothing else, they could give me an extra penny for it and I says, yeah, and they said, well do it. Goose them anyway. Why show act somewhere around? I just love the both of them saying we'll show act Exxon around anyway. That we know you, we're proud to know you, and that kind of stuff. These guys are really funny. Good friends of mine. So I am telling my lawyer, I don't want to meet no ape and negotiate, I says I got my computer system with Ken, the 380 over there, 386 or whatever, we do all our computer printouts of what we're trying to figure out with Exxon, no straight A's, but my expert in L.A., the attorney in Anchorage, and I will be here. We'll do it all interlaced because, I don't how, but Ken will do it for me, he'll just keep popping it out for me. I just didn't feel like going to L.A. Meanwhile, I'm, to show you where I'm at, I'm telling Ballantine I'm going to go to L.A. with you and we're going to

get into this thing as soon as I get my, I had a loan coming from my partners in the Exxon thing, so I says as soon as I get that money, I says, I'll hop that plane with you and I'll meet you in L.A. and I'll meet your guys so that we, really they understand what we're working for and they don't have to waste time on something they don't need, I know what I need and just like this whole pipe system, he didn't understand it, why it wouldn't --- and whatnot, and they had the meter and they were told they may not be using the meter. Valentine calls me back, "you're right, the guy is using the same words as you, that they're scrap tanks and that's what they use in this setting", so I will go out there. Here I am, telling my lawyer, I don't want to be in L.A. because I don't like L.A. and I didn't want to hang around L.A., I says the cat is crazy, I'm telling the one I don't want to be there and I'm telling the other I'll be there.

wb: Yeah.

ch: I think I'll end up going there in the next couple of weeks on that one. But, I will put together a memo for him on this pipeline thing.

wb: OK.

ch: The key is, no one understands how horrible it is, how stupid it is, and if there's any legal action to be taken, uh, I'm loaded, a loaded gun. The other thing that is happening is trustees for Alaska have been calling me because I asked them about Kissin, Dunn and Crutches. Now, their president or director of trustees for Alaska is going to be here September 9th, 10th and 11th.

wb: Who is that?

ch: Randy Weiner.

wb: You know where I'll be. No, you told me about him before. I'll be down in

ch: Nothing. You wouldn't want to meet him anyway. Not important. I'm just going to be, I'm telling him that we're going to be doing some action, he don't know who you are, but my son and I are going to be doing some legal action up there. I don't want to do anything actual like that. Because they're thinking you are, damn, they're board of directors are intertwined with the DEC commissioning. And, uh, what I want, when we do something, especially since they've been involved in ballast water and whatnot, when we do something, I want them to make some noise. I want, I want Bill Kaufman to be able to call them up the night, the day before and say, if this is happening, what do you think? That way this gives him

the Sierra Club and that kind of stuff and those trustees are in Alaska. Its all those groups together. And I want him to make a statement, Rickie Ott is ready to make a statement, Rick Sneider, so it gets the press, you know, Holy Mackerel, how could this be going on? As opposed to the press, normally the press takes three days to find all this. Well, I want it all ready so they just pass up there and get it right away. I want the press, the Kaufman story to come out with the morning after we do something in federal court five o'clock at night, so his story is first, and then the rest of the press are reading that story when they sit down in a news conference with you and go run in the same people. They don't care, they just want their own. What I found that they want is, they don't care that they got whipped, I mean, who the hell reads the Washington Post first of all? The second thing is, this happens to me all the time in the everyday news, second thing is, they don't have to quote the Boston Globe or The Daily News. Because they could reach the same people. All they want is their own quotes from these people. And that Washington story is the exact same story that they got the wording, the Wall Street Journal is perfect for that, and the wording is just, uh, if Rick Steiner says this, they'll get it and say something whole different. Their words, their quote from him. They'll get Rickie to say something a little word different and its their quote. Same thing, but trustees for Alaska, that's the way they function, and you could have, you could just give this thing out and give your names out, we give the phone numbers out and they write their own stories.

wb: I like it.

ch: But this could be, this just came to me a couple of days ago, I was doing it in a newsletter because, you know, I want the perjury part. And Miller, before Miller can sit down and do anything about the perjury part, he'd have to send it over to Justice, and Justice won't do anything for a year, and even then they don't want to do anything, --- , but if we can find there's a legal pollution thing that this is dangerous, that this whole pipe, you know, if people didn't know about the Aliaska pipeline last week, they'll certainly know this week. There is so much discussion now about those damn foreigners, we got their, think how we got this 25% oil coming from the pipeline, and we're going to get more from them, and you come out, and if we can find a legal part of this, and Petrick can help us if you can't, but I think you will find very well that the legal action that we are going to take is like, please do something in a hurry about this because it could pollute, its going to pollute, its about to break and then let the national press go bananas over this because they went bananas over the corrosion thing. This could be a Hawaiian airline draw bag.

wb: When do you think you are going to be ready with the

newsletter? Just timing-wise? Two weeks along?

ch: Uh, the newsletter we're going to make earlier than 10 days. I gotta do that before I leave on my trip. When I go on this trip, I've seen it already. What I'm going to get from these guys, my money is going to be on that stuff and in the newsletter, all the stuff I want to do in the newsletter is could be done ---. The one thing I got to get out in the newsletter now before it gets covered on me is Aliaska said nothing about this presidential task force, in their newsletter, first of all. Secondly, uh, the press made an issue of it there, so all of the first newsletter is going to be clean as the driven snow. Its going to be, hey, you know, Outsider is in here because

wb: This is going to come from you.

ch: From me. But its going to be supplementing The Insider in somehow The Insider forgot to tell you of a presidential task force and here's, its all going to be out of the Congressional Record, I know they'll love it. I do a nice reprint of the Congressional Record and its what Miller says. I don't say it. Miller's saying, the pipeline this, we're going to make sure it works and that kind of stuff, and there'll be an 800 number for the employees to call in and it'll be a hell of an audit and that's what I want, I want it, and my newsletter its going to say "finally, we've achieved something, there will be a health audit". Everybody is worried about this type of thing; they're all breathing this crap. They all know it, everybody is afraid to speak up or they'll lose their job. So, that one is as clean as the driven snow. Anything I do after that, I got a 50-50 chance they will forgive me. Even if they find that I'm too harsh on the company because I've done this for the newsletter and the wording of that is very important. The gal who writes the stuff for me, I'm not good at writing but I know what I want and she cleans up my writings, she's been on a trip. She comes in Sunday. So I have to have it all ready within about a week to 10 days; Kathy's doing the addresses and whatnot for all the employees.

wb: You know that I'm getting married on the 8th and I'll be out that week. Feel free to use Sherry because she's, if she's here, I don't know if she is going to be here yet, I told her she could take the week off, but if she's here, feel free to use her for busy stuff.

ch: OK.

wb: Typing mailing lists,

ch: Well, the typing of the mailing lists, we can just start on that because Kathy was going to do that and I need her on the

other stuff.

wb: We'll do it.

ch: The typing of the mailing lists gives us what you want down the road, every employee of Aliaska.

wb: This, we got a program that makes labels.

ch: That's what I've got. OK, we got the same program. Uh, because ycu use --- with it or, OK. What we have to, which is a problem with, is when I'm getting a message from the guys. I got my service so everybody hands in stuff and whatnot. So there's a duplication and from what the --- and whatnot, but that will do it for us because it will alphabetize and then we'll just kick out what's in there, uh, and that's where I don't have a total list of my insiders, if I had all my insiders in there, then I know where they all are. I'm not worried about, and each guy told me, don't worry about giving it to anybody because something from you, they said the minute you give it, everybody will have it on the bulletin board. And anybody who doesn't have it will get it from other personnel. They said, coming from you, they always see it and everybody's going to wonder, why didn't I get it? Some are going to be hurt because they didn't get it. It's going to be funny. OK, that would help a lot. Sure,

wb: Sure, she could do it. Or fax it to me, I've got two ladies sitting there and I'll make a label and put a note, right, and express it to you. Whatever you want to do.

ch: OK. That will solve the problem. And I'll, as a vertical support thing, it may be, it may not work. But, you're going away the, in the nine days,

wb: I'm not out of here yet. I'm giving a checklist to you here so we don't forget, I'll remember this too. Let us know if you want Vern to input the documents, here, I'll read this.

ch: This will take time. But I will do that. I'll give Vern documents to input and I have something to start with right now.

wb: We'll be out of town from the 8th through the 16th and you said you are going to do more memos on the Galveston.

ch: I'm going to have an event on the Galveston before you leave.

wb: OK, great.

ch: Well before, because I want you to give that to your attorneys.

wb: OK.

ch: Because by the time that you find an attorney you can work on who doesn't have a conflict with the eight oil companies to start with,

wb: That was difficult. I think I do have a couple. The other thing you were going to do was fax the list and we'll make the labels. Sherry can either come pick it up or you can fax it to me. The best thing is to fax it to me in Miami and I can do it overnight. Fax me the mailing list and I'll alphabetize them and make the two sets of labels for you.

ch: Uh, that's, with the labels, I wasn't going to use labels. Because I'm going to person the letters to them and then I realize for the newsletter, labels are OK. If it wasn't the newsletter, then I'd want them personal. But I want it in a form that we can change it over and make envelopes if we want. Is that the form you got?

wb: Sure. Well, its in memory. Its in this little, like, rolladex system, so you say, labels,

ch: Labels and envelopes.

wb: Oh, envelopes, right. That's the same. One uses an envelope feeder

ch: OK.

wb: And you make this, and I got to do for you vertical support because

ch: A thing about the vertical support and I want to make sure you understand that part, if we come out and find a legal way to go twitch them on vertical support, it'll be a national deal, first of all, and it'll be highly critical of them but it'll open up a pandora's box where the government will have to prosecute them and they'll prosecute them for perjury which is another word in my bitching if somebody else brings it up. And he's not going to, I know him, he is not going to start by playing it up that they committed perjury. He put that in, Petrick put that in, with all the semantics and whatnot, they asked him to do stuff and all he knew was how they answered it. But he hadn't seen the new stuff that they themselves say is corrosion. And that they themselves, I know now, they say they can't handle it. So, the way that one, Miller would have to be discreet, be careful, I mean, be nice. And give them a shot. And I don't want to give them any shot at this. I want to be able to, if we're lucky, we can find a legal way to say that its not our fault about the perjury, we're just saying, hey, you've got a problem there. And you can't just sit there

and toy with it, bring in some experts, I mean, tell the nation there is a problem, someone else can help. But don't keep it secret. Then the perjury part, let the press do that. --- Get it all out that these four brains said this; the Wall Street Journal probably was there covering that. She didn't understand it all but she said, what are you talking about, and I said, well, I'll give it to you in the package, you can have it. She said it'll be in the Wall Street Journal, I'm sure, Hamel, front page. You don't mind me. Remember, Aliaska put out a brochure against them.

wb: Yeah, you told me.

ch: And they elected to --- And the Los Angeles Times, they got a hang up over L.A., uh, the ARCO company, they're anxious to do something because ARCO took them for a ride with Point Piesa. And they, if anything was going on in their shop and they had their way, they go after them. After Carlton.

wb: You're going to be traveling the next couple of weeks anyway.

ch: Well, yeah, about that time. I'm waiting, I keep looking for Kelly. I'm going, the big holiday right now,

wb: This Monday.

ch: So that's, everybody's finished traveling around here. So I see him and say, "oh, you're leaving".

wb: No, this is August. I'm leaving in September.

ch: OK, the holiday is over around the 5th or 6th. You're leaving the 8th. That's just about the time I will be up in, I'll do my traveling then.

wb: OK, good. Yeah, I'll be out of pocket then.

ch: And, uh, I want to get my newsletter kind of ready and whatnot before then so that it doesn't have to go out but just, when I do this I'm going to come back marvelous, I'm going to ---, uh, uh, here, we want to hurry up and do something, the ship from Scotland is going up there because Congress is in session; we've got to do it while Congress is in session.

wb: OK.

ch: After Congress goes out and everybody's got other things on their mind,

wb: I think the only other thing I have, I think I have got some meeting around the 20th or the 21st, I'll have to check my personal calendar in Miami, but other than that meeting, uh,

ch: unintelligible, Have fun.

wb: Thank you sir. Don't forget your ---.

ch: If you don't have fun, don't do it. --- When are you leaving?

wb: Today, probably around, if I can find Sherry, probably around four, four-thirty, five. Something like that. I've got preservations on four o'clock, try seven o'clock.

ch: If that stuff I want to send you, when I, if I send you the Insiders too, that would be, yeah, that's no rush, but when you can, when its time to do the Insiders,

wb: Yeah.

ch: I don't know how that will scan them in, but, uh, it would have to be scanned. Scannings, I'm sure.

wb: Yeah, just bring them in. You tell me when you are ready to start bringing over boxes and I'll have Vern or somebody here hook them up.

ch: When Vern is coming up next time, I should know ahead of time and I'll bring over some "Insiders" and then see how it works. I don't know if it will work or not. Then snap some photographs of me and it takes a lot of work.

wb: It'll work. They do some kind of OCR or some kind of

ch: What we may do with the "Insider" and that's where we're, some of the data is not important, I can show them all this stuff, all you need is the first page and the back lacilage.

wb: That's why you got to sit with them. We don't need to know who's birthday it was; what we need to know is what they are saying.

ch: For example, every week they say how much oil they recovered, how much they took in, oil from the pipeline, how much they got out. I have a guy that works for Aliaska, you know something, he knows me very well, I can tell him, do it. But he deals with a partner of mine on a lot of things and the guy doesn't know that my partner is talking to me. The guy is funny, he walks into my partner's office,--- another time he has come to see me and my partner with a big oil guy and he says, uh, I have a problem with Aliaska. The guy does a great job by the way. But I'm in charge of --- and I'm pressuring the oil company --- and he says, these guys are so damn stupid, he said, I've discovered that this enormous --- what comes in and what goes out are unrelated. And they're losing

a lot in vapors and they got all these problems and somehow its not working out right. And I figured out how to solve all that and I offered him that I will leave the company and do a service to him as a consultant. Input, you get into the right instrumentation and you have this more accurate. And he won't listen to me. In fact, he told me to forget about it. And then finally when it came to --- Stop talking this way and forget about it. So he's talking to my friend, I don't understand why. So they sat down and my friend said to him, look, if they're taking in this here and they make --- a whole new refinery, and they had no meters other than that diagram I got, all the meters are disconnected, disconnected for years, so that its all on guesswork. And at this end they use all this stuff for fuel over and away and then they load it on the ships and then because the hydrogen has liquids, they are losing a lot and they sell this extra oil that they bring in from the ballast water and the guy is saying that they don't relate. There's something wrong. And my friend says, yeah. Anything that is missing doesn't show up on there somehow. He says, yeah, there is a temperature problem. Because he --- my friend --- built the refineries all over the world for Exxon and he knows what he is doing. And what they are doing is what they take in and what they take out the other end, they cheat. And that's what he can't figure out. Its related that you realize what and how its in trouble while you still have a job. They didn't even understand why they were cheating and how they were cheating because of all these losses and somehow everybody gets to pay down in the end. And Aliaska comes out ahead. Sometimes, the child of the parent screws the parent, but this is what is going on here and this guy just tripped across it and they keep telling him to forget about it. But that's what this outfit is all about. --- and so they're not going to do anything about that one but sometimes I keep telling myself, I get mad enough at these people, go pop that one out, too. They just cheat on everything now.

wb: unintelligible... see ya.

ch: How is Diane? And when are we going to meet her?

wb: She is fine, probably in September.

ch: September is in two months.

wb: See ya, take care.

ch: unintelligible

wb: What did you say?

ch: unintelligible OK, help yourself. This one in here. For you. Uh, you ready? unintelligible... No, just the --- which

is fine because he --- . OK. Whatever you want. Whatever you want. Right. Oh, Doug Bailey, I forgot I had my note here. I got to fix the alarm to open up. Yeah, I'm supposed to --- Doug Bailey. --- OK, I'll be over shortly. Bye bye. Oh, how do you deal with long distance?

wb: Dial nine, one, and the number. Calling Doug Bailey?

ch: Yeah. At my age, how am I going to learn how to run my watch? I've had this for years with an alarm on it but I never remember. And on my way over here, I put the paper right here, and I don't even remember to call him up. And someday I'll remember to run the watch. I'm going to have a separate watch with this alarm thing. Damn. I'll get a call, I have the phone number, I'm in a quality home and I have to get up at 7:30. Hi, Chuck Hamel. Doug Bailey, please, or Nancy.

wb: Is he still the A.G. up there?

ch: Only until Sunday. Election. How are you? Is he in today? No, let me ask you, something strange is happening and I want to forewarn him for this. I'm told that a Terrence Baker intends to see, expects to see Doug today at 10:30. Is he an accountant? Oh, Jesus, pull him out of there. I got to warn him about the guy. The guy is acres. Who is in there with him? I mean, does Terrence have anybody with him? Shit. The guy is already in with him.

wb: Who is he?

ch: A crazy man. Terrence Baker. The guy with the ---, who was trying to sell me the information on the Exxon Valdez.

wb: Oh yeah?

ch: Yeah. I found out that he got in to see Doug.

wb: Is he nuts?

ch: Yeah. Doug finally said that he doesn't want to be disturbed. She didn't say, but, but, ---. Yes. OK, when you can, uh, slip him a note and just say that Baker is mentally disturbed and kind of dangerous. OK? Thank you. He didn't kind of, he said he wrote a note to her and said, uh, call you after, but I think I got the message.

wb: Hold on a second, hold on. OK. That's fine. Hello. How are you doing? Good, uh, I am running a little late but come on back and we'll go from here to this, to the meeting. OK, bye.

ch: He told, he gave her a note, it said, uh, she handed him a note that said Chuck Hamel wants you to step out and talk to

him. And he wrote her a note, I have to wait. I'll have to talk to him afterwards. But I got the message. In other words, I had told him before that the guy from --- is a freak and he goes down and says, what the hell is he seeing him for? So, apparently, what he is doing, he's telling them, at the state level, the governor's office, that if they don't see him and deal with him, then he's got a reporter at the Boston Globe who's going to divulge that, who writes on Exxon stuff and whatnot, that's going to divulge that the stuff is sitting on this intervention.

wb: So they've got to see him.

ch: unintelligible.

wb: You know who the guy is at the Boston Globe?

ch: Aufmill Kaufman.

wb: Kaufman.

ch: Who's never met the man. Doesn't know what he looks like. But when the guy was staying at my house for a couple of days, and before when he first arrived, I didn't know he was crazy as a hootowl, that I told him I was going to take him up to Boston and he brought what you call it, who is head of the --- --- commission on this, too, on the Exxon Valdez case, so he's there hurrying around Juno saying, this guy on the Boston Globe is going to write a story about how the state is hiding this information and whatnot, so they're a little afraid of him, so they have to defend themselves,

wb: Yeah. Kind of believable. See ya.

ch: You bet.

wb: Take care.

(END OF SIDE ONE; TAPE 31-1)





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(SIDE TWO; TAPE 31-2)

wb: Rick, give me a call. Rick, give me a call, please. Hello. Hey, I'm getting a little squirrelly. Is it on now? It's still on? OK. The previous was a meeting with Chuck Hamel. Now, he has the same checklist that I do. The purpose of what we were discussing was to try to get him to bring in stolen Aliaska documents and put them into our computer. Um, that is one of the things that hopefully he will do within the next week or so. A phone call, as you heard, that he made here was to the attorney general's office about a man that he thought was mentally ill. The purpose of what we are doing now is attempting to continue to identify sources. He spoke briefly that he may be able to get more legal documents from inside Aliaska but he was not sure and that's the, uh, again, that's the thrust of what we're doing. If we can put other stolen engineering documents from Aliaska into our computer, in the meantime, we're for sure going to do that, also. The time is about 1:12, 1:13.

(END OF SIDE TWO; TAPE 31-2)

WB:kt (Ken Tammenga - Office Specialists)

Exhibit 32. August 30, 1990: Telephone conversations
Prod. no.: Audio, F2R401000.

[First conversation (1 minute)]

MR. BLACK: Hello. Hi. It's Wayne.

MS. HAMEL: Hi.

MR. BLACK: Is he back yet?

MS. HAMEL: No, he isn't. He isn't. I expected him back any minute, but he hasn't come back yet.

MR. BLACK: Let me give you a number where I'm at, a pay phone? These phones are terrible. I'm at the airport. 684 --

MS. HAMEL: 684.

MR. BLACK: -- 9715.

MS. HAMEL: 9715. Okay.

MR. BLACK: Thank you.

MS. HAMEL: Very good.

MR. BLACK: Bye-bye.

MS. HAMEL: What time is your flight?

MR. BLACK: Oh, in about 25 minutes.

MS. HAMEL: All right.

MR. BLACK: Thanks.

MS. HAMEL: Thanks.

MR. BLACK: Bye.

MS. HAMEL: Bye-bye.

MR. BLACK: That was myself and Kathy Hamel. It's 20 'til 6 on the 30th.

[End of first conversation]

[Second conversation (4 minutes)]

MR. BLACK: 6:50.

MR. HAMEL: Where are you?

MR. BLACK: I'm at the airport, trying to get out of here.

MR. HAMEL: Oh, I guess, I called that number, I figured you were gone.

MR. BLACK: Yeah. I had to move. What's going on?

MR. HAMEL: Oh, _____ then some lady _____. What's happened to your flight?

MR. BLACK: Well, it's a typical American Airlines story. They're just, you know, doing their changing. Anyway, I'm sorry I missed your call.

MR. HAMEL: Hey, if you were doing all of that, you could have been here, because at this very moment _____.

MR. BLACK: Yeah.

MR. HAMEL: _____ hell of a lot better than the ones we get. Incidentally, did they give you a discount that night, I hope, at that restaurant?

MR. BLACK: Yes, they did.

MR. HAMEL: Okay. Because I told them, those crab cakes were real [?].

MR. BLACK: Yeah, they sure did.

MR. HAMEL: Okay, because they -- I'm going to try them again when they get better. The guy -- I called the manager the other day, and I said, "When you get better" -- he said, "We're better now." I said, "All right. Maybe next week I'll come check you out. But boy" -- anyway, I make better crab cakes, and that's what I'm having right now. Or about to.

Couple of things. I want to see how serious you are about this _____ matter.

MR. BLACK: Okay.

MR. HAMEL: I'm determining which union is running that ship that's already down there now.

MR. BLACK: Yeah.

MR. HAMEL: And I've got a guy at SIU -- _____ at the Seafarer's International Union. I've got a guy who will go down -- who is a ship's officer who has an able seaman's _____ enormous seniority, and he will go down there and ride the vessel, and then he will _____.

MR. BLACK: That's great.

MR. HAMEL: They can't deny him, because he has seniority.

MR. BLACK: Yeah.

MR. HAMEL: _____ work it all out later, but I wanted you to --

MR. BLACK: Okay, thank you.

MR. HAMEL: But if we have to fly him in from the West Coast it's double-time [?].

MR. BLACK: Yeah.

MR. HAMEL: And put him _____ the boat and fly him out to the other end.

MR. BLACK: All right. We're serious about it.

MR. HAMEL: I figured.

MR. BLACK: I'm ready.

MR. HAMEL: That's -- I can't do better than that. That ain't bad, is it?

MR. BLACK: That's in a silver platter.

MR. HAMEL: He will give a sworn affidavit to me _____. The only thing we need for you to think about in the meantime is even -- even he doesn't want the crew involved.

MR. BLACK: Okay.

MR. HAMEL: It's a five-year penalty for this, you know.

MR. BLACK: Yeah.

MR. HAMEL: These guys have a job. What you're going to like about it, is Exxon's refinery in Washington _____ this part, these people to do this. What it also proves is last week, when Exxon was raising hell in Alaska, that there's a difference between USA and the shipping

department.

MR. BLACK: Yeah.

MR. HAMEL: We will then back into -- I will have available some affidavit, we need a Federal Judge, or whatever way we're going to do this, to _____ it. All these people are left alone, they'll all be hit with an interrogatory -- there's only about thirty guys -- they'll all be hit with interrogatories and they'll -- they'll speak up, as long as they get immunity.

MR. BLACK: All right. That's --

MR. HAMEL: Will talk about it.

MR. BLACK: Okay.

MR. HAMEL: That's one thing I have promised. I mean, none of these guys ___ ____ ship's officers who had to do it or they wouldn't have jobs. None of them. And yet, apparently, every time it's done, by law, it should have been in the log book. And it's not, and they can't put it in the log book, because either way they get a $10,000.00 fine, and if they don't do it, they lose their job. So you can figure that out.

MR. BLACK: Well, you know, if we -- if we crank it up, if we crank it up so we catch them doing it, we can't protect anybody on board.

MR. HAMEL: Oh, we have to.

MR. BLACK: Well --

MR. HAMEL: That's what we're going to talk about. We're going to go to a federal judge and work something out.

MR. BLACK: Okay.

MR. HAMEL: I like to be definite [?] about these things. Otherwise, we can't do it. We can't --

MR. BLACK: Okay.

MR. HAMEL: -- hurt these people.

MR. BLACK: Okay. Well, I'll -- I'll research that. I --

MR. HAMEL: You work that out.

MR. BLACK: Okay.

MR. HAMEL: Bye-bye.

MR. BLACK: All right. Thank you. Bye.

MR. BLACK: It's ten 'til 7. That was a call between myself and Hamel.

[End of second conversation. End of recorded material on Side A, although background noise is audible for some time. Side B is blank.]

REPORT OF INVESTIGATION
SPECIAL INVESTIGATIONS DIVISION

TO: PAT WELLINGTON

FROM: WAYNE B. BLACK

DATE: AUGUST 30, 1990

RE: RETURN CALLS TO HAMEL

---

On August 30, 1990, while still in Washington and at the airport departing for Miami, I received a message from The Ecolit office that Hamel had called me. I called his house and spoke with his wife and was told that Hamel was not there. She told me to call back later.

Approximately two hours later, I called Hamel's residence and spoke with him. That call was tape recorded. The Realistic mini-cassette, MC-90 was marked, dated and initialed and will be transcribed.

WBB:jl
427.A22

PRIVILEGED WORK PRODUCT INFORMATION



EXHIBIT 87

**REPORT OF INVESTIGATION**
**SPECIAL INVESTIGATIONS DIVISION**

**TO:** PAT WELLINGTON

**FROM:** WAYNE B. BLACK

**DATE:** SEPTEMBER 19, 1990

**RE:** TELEPHONE CONVERSATION WITH CHARLES ON SEPTEMBER 18, 1990.

---

In response to HAMEL calling the Miami Ecolit office on the 17th and leaving a message and talking with Sherree Rich at the Virginia Ecolit office on the same day, I returned 's call in the evening of the 18th.

At approximately 8:57 p.m., I called 1-800-525-9190, and spoke with HAMEL. He told me that he was on a conference call with Boston and one of his sources and that he would be done in approximately fifteen minutes. I told him that I would call back.

I called the second time at approximately 9:22 p.m., and spoke with Kathy HAMEL. She told me that Chuck was on the phone with their son who was coming into Maryland the following day. She asked me to call back.

At approximately 10:13 p.m., I called back and spoke with HAMEL. He asked me questions regarding my honeymoon and sailing. This discussion lasted approximately five minutes.

PRIVILEGED WORK PRODUCT INFORMATION

F2R413190

EXHIBIT 88

HAMEL told me that with regard to the Keys situation he was able to develop more information. The boats involved in the dumping, mentioned previously in video tapes, had been sold to a company known as Maritime Overseas. They charter the boats back to Exxon. HAMEL talked to a ship's officer on one of the ships which was not one of his original sources. This ship's officer said that dumping is presently going on near the Dry Tortugas. HAMEL said that the ship's officers report that the cargo lines are sucked out. When the water is expelled overboard the pumps are shut off when the crew sees "product" going into the ocean. HAMEL said that even the water from these tanks contain aeromatic hydrocarbons which run into the ocean and kill fish. Apparently these ships have an on-deck pump.

HAMEL mentioned that for some reason the ships do not need bunker tanks, use the bunker tanks for storage of sludge. Apparently there is an electrostatic problem because these tanks are unable to be ventilated, causing, in HAMEL'S words, these ships to be, "floating bombs." HAMEL said that this has been going on for the past six years. HAMEL said that he wanted to pretend that we (he and I) just started the inquiry and that we just found out about the issue. This would keep his earlier sources (see videos from previous exhibits) from being charged with crimes.

PRIVILEGED WORK PRODUCT INFORMATION

HAMEL said that he and the Boston Globe reporter had developed another source with an A card. An A card is apparently an able body seaman card of some seniority that allows the seaman to sign up and work aboard any ship he would like, through the union. HAMEL mentioned that he would like the Ecolit Group to fly this man to Houston first to work on some of the ships that are involved in dumping as the ships go past the Dry Tortugas and around Florida. HAMEL basically wants us to investigate and file an action in Washington. HAMEL wants to be involved in the press release so that Exxon will know the complaint was generated by him.

HAMEL said that hopefully Ecolit will get a lawyer to go to a judge, exparte and get a cease and desist order. HAMEL said that if I could not find a lawyer who did not have a conflict, he could.

HAMEL mentioned that a key person in the scenario is Bill Kauffman from the Boston Globe. According to HAMEL, Kauffman has held the story for approximately one year because he did not want to involve the informants. The same informants are the officers on the ship that HAMEL had previously mentioned. They are the ones that developed the oil drum dumping technique.

HAMEL mentioned that he had recently met with Elena Sullivan from the Wall Street Journal. She is a white female approximately 4'5" tall, who lives on Long Island. HAMEL said she is the Wall Street Journal reporter who deals with Exxon and BP at the CEO level. She has agreed to ask questions of Exxon and BP at the appropriate time so as to cause them to be embarrassed about what is happening in the Florida Keys and the west coast as well as the other items HAMEL and I discussed. HAMEL said Sullivan plans to visit him (HAMEL) in the near future for more background information. Apparently Sullivan is the one who broke the story that the Chairman of Mobil set his son up in the tanker business. His name was Tobalarus (phonetic). Sullivan apparently asked HAMEL if he knew anything about safety issues at the Bay Town Refinery. HAMEL said he had sources there that will funnel information to Sullivan through him. Additionally, the three tankers that we spoke of are from Bay Town.

HAMEL said that his situation in San Francisco is, "unbelievably great." He has been speaking with Jim Widdle of the Coast Guard who referred him to an attorney named Flannagan in Boston. HAMEL has been reporting to Widdle that one boat in the San Francisco Harbor is running 18 to 20 hours in port. This is an Exxon vessel. Apparently the chief engineer of that vessel, a man named Dunn,

first name unknown, filed a lawsuit in San Francisco against Exxon. HAMEL mentioned that he had another source which is a top official in a Portland ship yard for supertankers. HAMEL said that with all the information from his sources he would be, "loaded for bear."

HAMEL mentioned that it was important that there was no attack on Exxon until after his settlement with Exxon within the next few weeks. He wanted to hold until then until there was some money given to him.

HAMEL mentioned that it would interesting when the story in the Keys hits the press as Exxon would be blamed for the tarballs on Florida beaches. HAMEL said this is not true because of the way the boats we spoke of are dumping, but the public would not know the difference.

HAMEL mentioned that the situation on the west coast had been going on for six years and that the Coast Guard had passed the ships during their inspections without question. He said the Coast Guard did not really know what they were looking for.

HAMEL mentioned that the Alaska situation is a criminal case and that saving $1,000 a barrel was good financially, but would hurt them when the matter is discovered.

Apparently the Attorney General of Alaska sent a memo to the Fish and Game People of Alaska with regard to the fish being poisoned in the area of the terminal in Valdez. got a copy of the memo and leaked same to the press.

mentioned an additional item with regard to the Exxon Valdez. He mentioned that he will be able to prove that there was 100,000 barrels or 4.2 million gallons, or 40 percent more oil spilled then was admitted to by Exxon.

We terminated the conversation at 10:55 p.m. with HAMEL and I agreeing to meet and go into more detail on Wednesday, September 26, 1990, in Virginia.

WBB:jl
427.A26

PRIVILEGED WORK PRODUCT INFORMATION

9-20-99
10:00 →
Rick Lund

Alyeska
(meeting at Crisfield)

- false bidders for oil wells which Exxon uses to drill
  - to jack up the price
- he would hope to see Exxon re-bidding.
- once he gets rich settlement, he is out.
- He is opening up about service

---

- transcripts not completed yet
- Wellington:
  - suggests first anyone views the tapes at the same time and make notes

[ both audiotapes and videotapes are being transcribed

- Most of the tapes are clear and not garbled

- next Tuesday, Alyeska gives Stevens, counsel to discriminate to the big three Exxon + DP

F2R500073

[redacted]

- following week
  - board of directors meeting
  - [illegible] stock to [illegible]
    at entire Board
  - they [illegible] 90% of [illegible] yesterday)

- each owns [illegible] contributes (united)
  his own general counsel and
  his own company.

-

- Possibility:
  - negotiate directly with Musk
    (but must be careful
    about negotiations
    possible [illegible])

- Musk - open an envelope [illegible]
  See in front of [illegible].

- Musk has that Scott has [illegible]
  compromised.

- Musk has used one of the
  documents.

-





FZR500075

[redacted]

- and some of the allegations include bribing [illegible] (two were interviewed by Public Integrity agents last week)

- Might be best to go to US Atty and the FBI
- or maybe the FBI

---

August 30, 1990 Undercover Meeting

- newspaper people: one of Simpsons (Toronto-based paper)

- [illegible]
-- Miller's aide

- said he paid for trip to Alaska for chief counsel + his wife

- "[illegible] may be green card to know that I [illegible]"

→ [illegible] at the Miller office

[redacted]

-He says he takes messages & does to work every day.

Hurl
Miller stayed at his house.

- [illegible] is bring dog and new [illegible] house near the church on 4th.

-He used to have a part-time job

- [illegible] to his sons as a woman

stand and say or thought he didn't know the identity of the source

[illegible] asked her to get "angles around"

- Dismissed allegation

---

Suspension, city [illegible] investigation

- [illegible] Police-ed -



- Tell Hamel Hirad Gomez does not want to finance operation with political connections

- Meeting with Hamel will be before it meeting with Scott.

- Ask Scott about Credit Card.

- List of Issues
  - executive briefing (summary of allegations)
- Composite Tape
  - Highlights film

Mtg @ Washington 9-20-90
Present: Hunt, Goodman, Black, Trotter, Wellington, PWT

Real problem w timing. Mtg betw Hamell & Epson, Green + BO CEO. → will blow the investigation.

Hamel says + hope that he pd for entire head atty's vacation (w wife)

Owens have to reengage that the probation complaints will go to FBI — shd begin investigation on Ron Owens.

Best scenario: FBI joins the investigation which continues all as long as possible.

2d version of allegations against the Anchorage Stic (that he told Wellington abt an impending indictment of Hayeshi), we shd make approach to U.S. atty rather than FBI. Perhaps U.S. atty + FBI jointly.

How long will it take the owners to decide upon any visit to review the tapes

Tape: reports from Tacoma who is CH: [redacted] attack a Bellingham (S.R.) who was [redacted] for $1/2 / yr for Miller. Shd go to listening

9:30 tape 11:15 - Miller stayed in CH house in Valdez

CH claims that Hayeshi gets credit for recovered crude from the BWT facility → encourage owners to bring "used" being brought from Ng area as Ballast. "Used" includes chemicals: Kerosene, Toluene, Xylene

9:30 tape 12:38-4:0 p.m. people point and one staff. I don't ask them for it.

Bill Richie: we need to review all of the transcripts + tapes before checking it go forward civilly or criminally

F2R502485

EXHIBIT 90

[ 09-03-01 03 41PM PHJLB LA #2 627-3705 ] P02

[ *Attorney Work Product;*
*Privileged & Confidential*
*Attorney-Client Communication* ]

10/2/90

**MEMORANDUM TO LEGAL FILES**

**Record of Meeting re: Alyeska Security Matter**

On Tuesday, September 25, 1990, at 3:00 p.m., a special meeting was arranged at the request of the President of Alyeska Pipeline Service Company ("Alyeska") to discuss developments in an investigation that had been undertaken by Alyeska. In attendance were representatives of the three principal owners of Alyeska (Fred G. Garibaldi, representing BP Pipelines (Alaska), Inc. and Chairman of the TAPS Owners Committee; Darrell G. Warner and E. Anne Pace, representing Exxon Pipeline Company; and William C. Rusnack and Paul S. Bilgore, representing ARCO Pipe Line Company) and four representatives of Alyeska (James B. Hermiller, President; A. T. "Fred" Smith, General Counsel; J. P. "Pat" Wellington, Director of Security; and L. R. "Lon" Trotter, Senior Attorney). The meeting was held at the Stouffer Concourse Hotel near the Denver airport and was adjourned shortly after 6:00 p.m.

A. Alyeska provided the following background information:

1. For purposes of determining the sources of unauthorized disclosures of Alyeska information to third parties, Pat Wellington made a

[08-03-01 03:41PM PMJ&H LA #2 627-0705] P03

[*Attorney Work Product; Privileged & Confidential Attorney-Client Communication*]

proposal to Jim Hermiller (and perhaps Steve Dietrich) that contemplated an investigation conducted through Wackenhut (long a security contractor to Alyeska).

2. In authorizing Wellington to proceed with the investigation, Hermiller stressed that all activities be conducted in a proper and lawful manner.

3. After a series of initial contacts were made with Chuck Hamel (the principal suspected recipient of unauthorized disclosures of Alyeska information), the investigation proceeded to develop information that went beyond its original scope.

4. Investigative techniques employed by Wackenhut were described as having included (i) the establishment of a "dummy" corporation purporting to provide litigation support in environmental matters, (ii) discussions with Hamel that were recorded in some instances by audio devices and in others by videotape, (iii) collecting trash from Hamel's premises on at least one occasion, and (iv) payment of "consultant" fees to Hamel. [We were told that Wackenhut consulted Florida counsel]

[ 23-03-01 03:42PM PAGE LA 82 527-0705 ] P04/

[ *Attorney Work Product;*
*Privileged & Confidential*
*Attorney-Client Communication* ]

[and received advice that the fee payment to Hamel and the videotaping in the state of Virginia were lawful.]

5. The investigation produced confirmation that a previously suspected Alyeska employee at Valdez had been supplying information to Hamel. It also added to suspicions that an Alyeska employee at Pump Station 6 might be supplying Alyeska information to private third parties.

B. Against this background and after reviewing certain portions of the videotape for about one hour, the Owners representatives directed Alyeska to:

1. Shut down all operations in an expedient manner and immediately discontinue any further recording and videotaping.

2. Avoid using the tapes, recordings and other information for any purpose, including for purposes of taking action against Alyeska employees.

3. Assemble and preserve all relevant data pending further instructions as to disposition.

[90-03-01 03:42PM PWJ&W LA #2 627-0705 P02

*Attorney Work Product;*
*Privileged & Confidential*
*Attorney-Client Communication*

4. Avoid any further dissemination of the fact of the investigation.

The Owners representatives requested Alyeska's General Counsel to attend an executive session of the full TAPS Owners Committee on October 3, 1990, for the purpose of advising the full committee of the foregoing.

Paul S. Bilgore
Chairman, TAPS Legal Subcommittee
October 2, 1990

09/12/1991 13:28 FROM ELISA MC HOUSTON TO 8202785897 P.08

9/25 Denver Mtg.

Lon Trotter
Fred Smith
Jim Hermiller
assistant
Steve Diedrich
Karen Kilty

Where Wako?
Security [redacted] Pat Willington
Wackenhut - Coral Gables

Frontier Conference - Fairbanks

documents turned up
- Gibson Dunn Notebooks
- 72 hour chronology - printout
- Versar - Dick Tardiff - Risk Analysis - draft proposal
  Carlos Goodman memo - "Promises"

Scottish Eye reporter spent time w/ Hamel
(- letter from Hamel? bragging)
Scott - Alyeska - Valdez person suspected of BWT

Miller / miller's chief counsel

Ray Nye stayed at Hamel's house

Peter Garnes - LA counsel
2 lawyers in Miami

- consultant offer to Hamel? offered $2000 - payment for computer program.

$4k total -

Looking at civil / criminal liability -

Mr. C. - Pump 6.

EXHIBIT 92

09/12/1991 13:28 FROM EUSA HQ HOUSTON TO 8202768497 P.09

CH Thinks Exxon is trashing him.

Don, Fred, Kevin Kitty. Lou left.

Fred spoke to Ron Olson—

→ Wachenhut woman employee made contact at Frontier — on plane on way back - he called her — ended up making contact w/ Sr. Wachenhut people - They set up company to do environmental consulting — now have Va. office, have paid H. $9K — Local Anchorage lawyer ready if litigation.

Jones looking at causes of action.

Ecolet —
Dr. Wayne Perkins —

Valentine former bosun? on Exxon Ship —

Patrick/Miller aid —
CH Miller to become Ch. of Int. Comm. when Udall dies — No staff

Galveston
Baytow
cleans our tanks, ships sludge to A. When come for fuel, wd. put crud on to a barge — Stayed 9 hrs — only took 4 to 5 hours to fuel —

T2R503026

RICO-
transportation via mails -

Conspiracy to tamper w/ grand jury
Extortion $12 m in '85
$18 m recently
Interference w/ contract.
Replevin / injunction.
Seizure of documents

Main goal w/d be to identify leak
Criminal lawyers haven't looked at tapes.
- We don't at moment think the data is that strong.

→ DC: Perkins meeting tomorrow - Will be more vigorous.

NO extortion attempt since '85

To neutralize Hazel, we might make contact w/ Miller, EPA etc.

Fred

→ Thinks we should waive the statute of limitations on his claim for water damage.
← 4 yr limitation
Sherman Act

09/12/1991 13:29 FROM ELSA HO HOUSTON TO 82227858497 P.11

Hand sig. Tacoma Tribune reporter

⇨Do we neutralize Hamel → ?

Probable explanation ⇨ when heavy document copying was taking place last summer - temporaries — under Gibson Dunn.

Where to keep it? Wackenhut? Do you protect it from subpoena?

What to do w/ info.

Dont record any more !!!

Fla Keys - products ships - pick up water & take offshore & pump out - Exxon sold the 2 vessels that were doing this, now MOC vessels Ship captain hooked into Hamel

Ballentine - has sources on the Galveston & Baytown

Thurs 10-18-90
3-10a

Studies: Exxon
Union
Pace
[illegible]

[illegible] all reports to.

Joe T. McMillan — EVP, Pres. } E USA
William Stevens

Exxon Corporation
Exxon USA Company
Exxon Capital Holding Corp

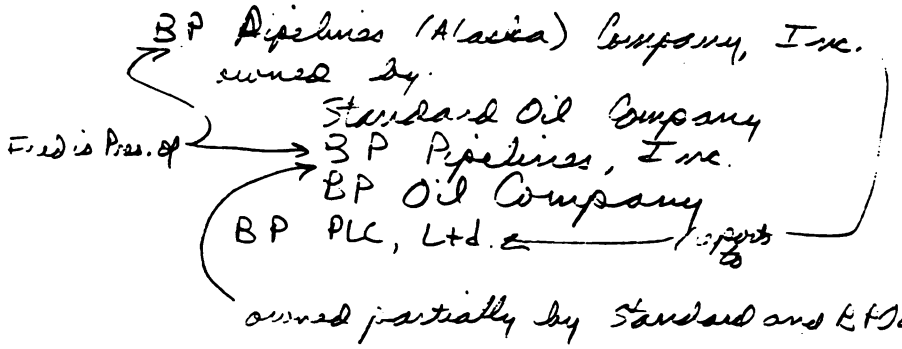
Capital
Exxon Corporation ←
Exxon Company USA division of

ARCO Pipeline Company = stockholder
↳ Atlantic Richfield Company = parent
↳ OC Rep (Ramach) = officer of parent
ARCO Pipeline Co. reports to [illegible]
Ramach reports to [illegible]
officer (Exec. VP) [illegible]
right to it — Pres. will report only
to Chairman of Atlantic Richfield Company

A Hess is only talking to Leon Hess

F2R500926

EXHIBIT 93




he reports to committee of which he is a member - members of various entities
business & personal committee

2 people told. head of BP America
2nd
BP PLC, Ltd.

Robert Horton and chairman of
he reports to these people not on
common carrier issues

we see oral report
Fred asked how do we communicate
results to senior group

Paul asked us to consider public relations/damage
control recs. at time of report

F2R503527

Paul - get records retention policy from Trotter
Fred/Anne - keep side record re opinions & Harold's
alterations in the records

F2R503928

LA COSTA
HOTEL & SPA

10-2-90

(1) Shut Down

(2) Not Use

(3) Advise other Owners

10/2 - Agreed to hire law firm
- Any viol. of crim law
- Any cause for civil suit
- Obligations with respect to what we have.
- Disposition of material
- Authorities & Controls property for base
- Do we need to change our control system?
- Workout - What degree of responsibility do we have?

Arrange for Owners Co. - briefing

Williams & Connolly (Sullivan)

Lloyd Cutler

RECEIVED
SEP 24 1991
STEPTOE & JOHNSON

F2R50008E

EXHIBIT 94

11/3/50

Executive session

A.) Special report by AEC on sensitive security matter.
- Material - being sent to Wedemeyer
-

B) FG Report on Action taken with respect to A above
(1) Report of shut-down
(2.) Requesting independ. counsel to advise Owners Com
- legality of operation
- obligations
(3.) Eff: Is Fall Out
where to take?

(4.) It appears that FG [redacted] had discussions w Eff

(5.) Williams: Real concern re: process whereby Owners were not [redacted] consulted in absence of start-up of operation.

(6.) Re to simple negligence re: Vessel K.

F2R503041

EXHIBIT 95

REPORT OF INVESTIGATION
SPECIAL INVESTIGATIONS DIVISION

file - WB3 memos

TO: PAT WELLINGTON

FROM: WAYNE B. BLACK

RE: 427 PROJECT

DATE: SEPTEMBER 27, 1990

---

Pursuant to our telephone conversation in the early morning hours of September 26, 1990, we will no longer make video and sound recordings from the undercover office in Virginia.

At approximately at 09:45 I met with Sherree Rich and Rick Lund and passed along those instructions.

At approximately 10:30 a.m. Rick, Sherree and I went to the undercover office where we found a phone message that Chuck Hamel had called at 9:32 a.m. We did not immediately return his call. We began making plans to shut down the operation within the next two or three weeks. The rent for the Ecolit office is paid through the end of October. The rent for the monitoring office is paid through the end of November. However, the monitoring office (Overseas Trading) has a six month lease.

PRIVILEGED WORK PRODUCT INFORMATION

F2R410695

EXHIBIT 96

We plan to notify the landlord that the Ecolit office is moving back to the Miami headquarters office during the week of October 8, 1990.

Conversations and contact with Hamel will be memo'd in detail and submitted as before.

At approximately 11:45 a.m. Hamel called the undercover office and spoke with Sherree. He told Sherree that he was up half the night regarding something and that he would take a nap. Sherree told him that I would return his call when I arrived in the office in approximately one hour.

Hamel called several times and was told by Sherree Rich that I was not in the office, but was expected shortly.

Basically, because of the situation in Hamel's travel on September 27 to meet with the Boston Globe reporter, I have avoided Hamel totally.

WBB:crd
427pro.cd

McKinley, Schmidtlein & Mitchell
ATTORNEYS AT LAW
SUITE 500
320 KING STREET
ALEXANDRIA, VIRGINIA 22314

JOHN D. SCHMIDTLEIN
DOUGLAS E. McKINLEY
STEPHEN S. MITCHELL
PRISCILLA G. BORNMANN

TELEPHONE
(703) 549-0780
FAX
(703) 549-0784

September 20, 1991

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

James Rowan, V.P. & Gen. Counsel
The Wackenhut Corporation
1500 San Remo Avenue
Coral Gables, Florida 33146

RE: $6,250.00 claim by Quick Reaction Capability, Inc. ("QRC") against The Wackenhut Corporation ("Wackenhut"), t/a International Overseas Trading Corp. ("IOT")

Dear Mr. Rowan:

I represent QRC, which, in 1990, leased office space in Arlington County, Virginia, to IOT, which represented itself to be a Florida corporation. No such corporation has ever been registered in Florida as of this date. IOT vacated the space before the term of the lease ended and did not pay the rent due thereafter. IOT did not respond to demands transmitted to the Florida address it provided, which is Wackenhut's address. QRC has been provided information and material which suggests IOT was an assumed name used by Wackenhut to conduct activities related to an investigation of a Mr. Charles Hamel. QRC's current interest is in being paid, not in involving itself in the Hamel dispute. Accordingly, I will not now articulate other issues raised by Wackenhut's conduct in this matter.

An invoice is enclosed. The difference between the demand and the invoice amount are the finance charges accruing since the invoice was generated. Demand is made upon Wackenhut to pay $6,250.00 by cashier's check made payable to QRC and delivered to this office. If the check is not received on or before October 4, 1991, suit will be filed against Wackenhut without further notice.

Yours very truly,

Douglas E. McKinley

DEM/amg
Enclosure

cc: Mr. Richard M. Prevatt

000223

EXHIBIT 97

Page 1

Telephone 703/418-[illegible]100

| STATEMENT DATE | ACCOUNT NO. |
|---|---|
| 04/19/91 | 2000 |



| STATEMENT DATE | ACCOUNT NO. |
|---|---|
| 04/19/91 | 2000 |



INT'L OVERSEAS TRADING CORP.
1500 SAN REMO AVENUE
SUITE 299
CORAL GABLES, FL 33146 USA

DATE PAID _____ CHECK NO _____ AMOUNT _____

| INVOICE DATE | INVOICE NO | DESCRIPTION | AMOUNT | BALANCE | INVOICE NO. | AMOUNT DUE |
|---|---|---|---|---|---|---|
| /19/90 | 9240 | Verbal | 15.61 | 15.61 | 9240 | 15.61 |
| /20/90 | 9259 | LEASE | 1265.00 | 1265.00 | 9259 | 1265.00 |
| /20/90 | 9311 | LEASE | 1265.00 | 1265.00 | 9311 | 1265.00 |
| /20/90 | 9332 | LEASE | 1265.00 | 1265.00 | 9332 | 1265.00 |
| /20/90 | 9358 | Finance Charge | 63.64 | 63.64 | 9358 | 63.64 |
| /20/91 | 9409 | LEASE | 1265.00 | 1265.00 | 9409 | 1265.00 |
| /22/91 | 9411 | Finance Charge | 95.27 | 95.27 | 9411 | 95.27 |
| /19/91 | 9417 | Finance Charge | 126.69 | 126.69 | 9417 | 126.69 |
| /19/91 | 9439 | Finance Charge | 126.89 | 126.89 | 9439 | 126.69 |
| /19/91 | 9484 | Finance Charge | 126.89 | 126.89 | 9484 | 126.89 |

| Current | Over 30 | Over 60 | Over 90 | Over 120 | TOTAL | CHECK THE AMOUNT OF COLUMN THOSE HAVE BEING PAID | TOTAL AMOUNT |
|---|---|---|---|---|---|---|---|
| 126.89 | 253.78 | 1360.27 | 1328.64 | 2545.81 | 5615.19 | | 5615.19 |

Alyeska

10-1-90

4:00 → 4:04
TV cuts back

- Mainel has given Vigneli's name to the EPA

- He has reported that to EPA

- guy from EPA said there were criminal violations

↓

and Hazel told him that "profit" would be handling

Might not be
ok to insert.
[illegible] might
Middle [illegible]
insert.

F2R500080

A-01-SP101-35

Daily Activity Report

Date 10-28-90

Name Sherree Rich | SSN [redacted] | Initials SR | Approved

| Case | Start | Stop | Total | Activity | Rate |
|---|---|---|---|---|---|
| 427 | | | | Picked up National Rental Mini VAN | |
| | | | | Returned Hertz rental $75.06 (on SR Amex) | |
| | | | | PACKED VAN W/ALL OFFICE equipment | |
| | | | | WORKED IN OFFICE ON EXPENSES And Final details For Q.R.C. STAFF (OK Forwarding etc) | |
| | | | | Hertz Rental $75.06 | |
| | | | | T.P. Beeman $4.50 | |
| | | | | U.S. 2.31 | |
| | | | | Total: minus phone, Food, parking etc For 10-7/10-28) $2659.23 | |

Total Hours 5

Hours Rate 1 _____
Hours Rate 2 _____
Hours Rate 3 _____

Entered By / Date _____

000036

EXHIBIT 99

A-01-SP101-35

Daily Activity Report

Date 10-29-90

Name Sherree Rich | SSN [redacted] | Initials SR | Approved

| Case | Start | Stop | Total | Activity | Rate |
|---|---|---|---|---|---|
| 427 | 730 | 700 | | Returned to office & rode O | |
| | | | | my Keys | |
| | | | | Hotel in San Antonio 28.17 | |
| | | | | Gas 19.15 | |
| | | | | Gas 18.22 | |
| | | | | Tolls 2.00 | |
| | | | | Lunch 3.44 | |
| | | | | Dinner 1.85 | |

Total Hours 10 Hours Rate 1 _____ Hours Rate 2 _____ Hours Rate 3 _____ Entered By / Date _____

A-01-SP101-35

Daily Activity Report

Date 10-30-90

Name Irene Reh SSN [redacted] Initials IR Approved

| Case | Start | Stop | Total | Activity | Rate |
|---|---|---|---|---|---|
| 421 | 7" | 5" | | Drive to Boca | |
| | | | | Turnpike $3.10 | |
| | | | | gas $9.45 | |
| | | | | Breakfast $1.53 | |
| | | | | ~~Gas~~ / | |

Total Hours 10

Hours Rate 1 _____ Entered By / Date _____

Hours Rate 2 _____

Hours Rate 3 _____

000038

re Wayne Black on 12/20

Re MIT1

He sent the software back to MIT1 without a transmittal letter the day he talked to Dorothy last week (he thinks it was 12/13/9

Used an overnight courier so he will have evidence of delivery but the package can be traced to him.

Perhaps went from the Eclit Group - Miami

Black called MIT1 the day he sent the software. They answered the telephone so he knows they are still there. He hung up without saying anything.

When he last talked to Hamel, Hamel said "are your computer people all gone"? Black said "yes" "That reminds me, I have to send the program back to MIT1."

Therefore, it will come as no surprise when the software shows up a day or 2 later.

Miami Eclit office -

just got date from Black

Rent paid through December 31, 1960

Office is about known - nothing at all there They will "move out" and be gone before rent runs out

CONFIDENTIAL

(2)

Weckenbrot is opening another office in the same state under the name "International overseas Trading" which they will be using for other undercover but totally unrelated purposes

If anyone ever asks, they will simply find out that The Ecolet Group moved out before 12-31-90 and simply vanished

Hamel $2,000 checks
He cashed 60 Th
one was deposited in the name of
"Chuck Hamel & Associates"

He is Faxing me copies of 60 Th
cancelled checks today

Ecolet Virginia Account
the account was opened
Sheree Rich
c/o the Ecolet Group
using the Virginia Ecolet address

Wayne Black was a signatory
on that account.
?? (Records) The address the bank has
for Wayne Black is the Ecolet
Miami address

I asked Black if someone could be all 3 the above to get back to Weckenbrot
He says no. Even if the bank records were subpoenaed, the trail would stop at Ecolet Miami

That account literally is still open

Will close it right away - certainly before 12/31

Records are at Warrenton in Coral Gables

Airport Audio Tape

They taped only one telephone call From Black to Hamel's home with Black in the airport

DC Law

Nothing on the tape except small talk between Black and Hamel's wife Hamel wasn't home

They have the tape - never transcribed it. Didn't give it to us because there is nothing on it

Wayne Blanks (305) 662-7363

Met w owners
They received a few signed documents

1. Is Miami E-bet office still open

2. Did Hamel cash $4,000 checks?
Do we have cancelled checks?

3. Bank statements re E-bet - who has the record
Is account still open?

4. Did they keep any P/L's other
than the 1 when Blanks was at Airport?
Where is that under logs?

**REPORT OF INVESTIGATION**
**SPECIAL INVESTIGATIONS DIVISION**

**TO:** FILE 427

**FROM:** WAYNE B. BLACK

**RE:** Hamel

**DATE:** DECEMBER 18, 1990

---

At approximately 10:30, Miami time on December 17, I spoke with J.P.Wellington. I called Wellington to determine his home address so that I could send him a Christmas card.

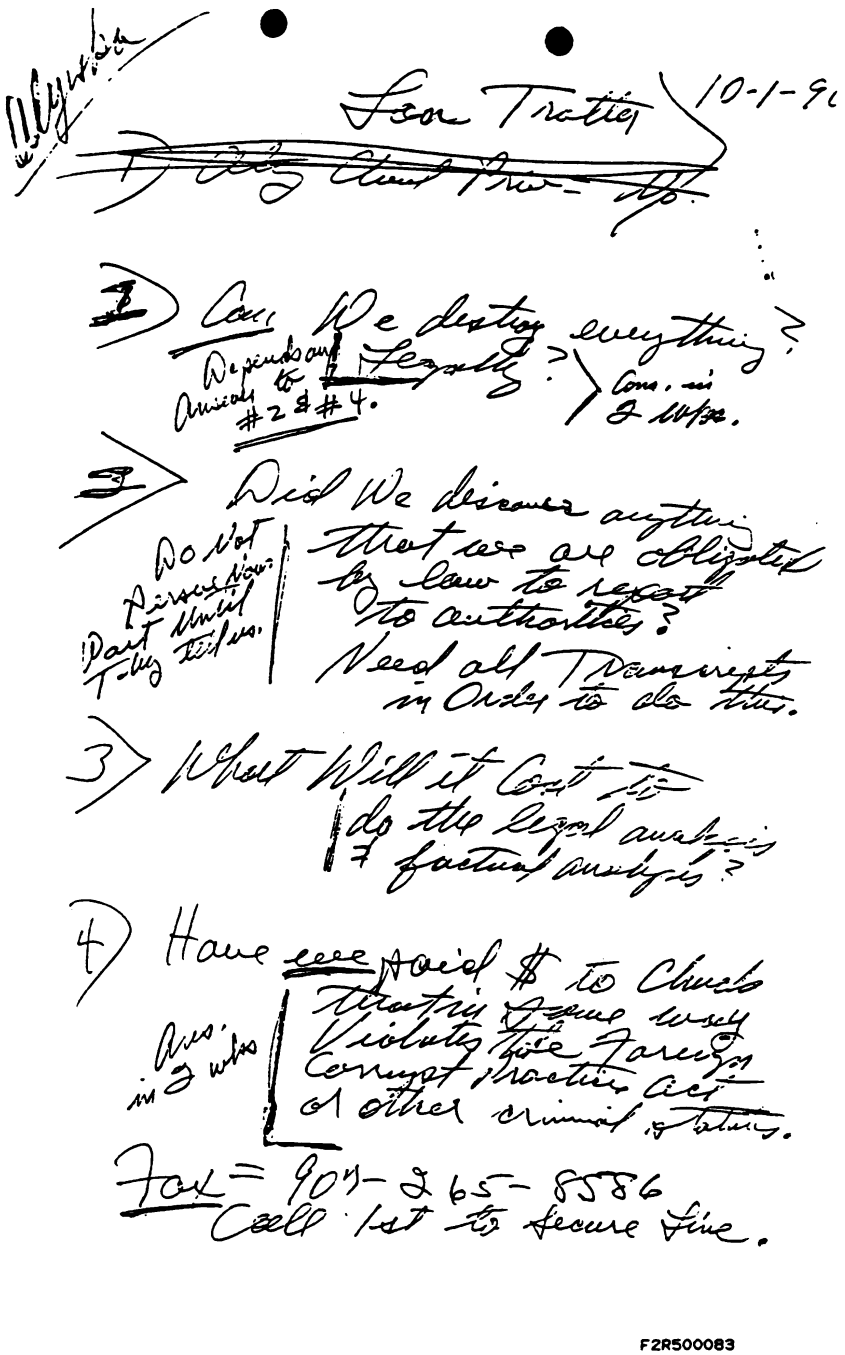
We discussed Hamel in general and the software, Readware, in specific. We decided that now since the case was over, Rick Lund should send the software back to MITI.

WBB:mie
427.1

**PRIVILEGED WORK PRODUCT INFORMATION**



EXHIBIT 101




F2R500083

EXHIBIT 102

Olympia R. Call WSD re Colorado 6:33 to 6:50

WSD Statement to Hamel:

Hamel was reported to Govt. Council at Ft. Polk John Hamm (?) re dumping in Tokyo etc & that Wayne Jenkins would be receiving this info. He has also told Wall Street Journal that Ecolit Spirit.

F2R500084

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JUAN J RODRIGUEZ
ANDREW P. TETZELI

**PRIVILEGED ATTORNEY/CLIENT INFORMATION**
**PRIVILEGED WORK PRODUCT INFORMATION**
**CONFIDENTIAL & PERSONAL**

January 17, 1991

**VIA FEDERAL EXPRESS**

Mr. Pat Wellington
Lon Trotter, Esq.
Alyeska Pipeline Service Co.
1835 South Bragaw Street
Anchorage, Alaska 99512

**Re: Alyeska Pipeline Service Co./Investigation**

Dear Pat and Lon:

The first portion of this letter will address the area of most immediate concern to Alyeska: our views as to the legal consequences -- both criminal and civil -- of a decision to destroy the surveillance file on Mr. Hamel, including the audio/videotapes from "bodybugs" and hidden cameras, as well as evidence of Mr. Hamel's allegations of campaign violations. The later sections will provide an analysis of the potential legal consequences of other aspects of the undercover operation.

It is our understanding that the undercover operation has been winding down for some time, but that Mr. Hamel still contacts the undercover operative. The undercover operation could not have been shut down overnight without arousing undue suspicion. The "wind down" period has been slowed by Mr. Hamel's desire to remain in contact with the undercover operative. Mr. Hamel was told that the funding source for the undercover company has dried up. Nevertheless, we have been advised that Mr. Hamel has offered to help find funding for the undercover company. I believe he may have contacted the lead undercover operative as recently as a week ago.

COPY

F2R502941

EXHIBIT 103

As you know, the owners of Alyeska have retained a law firm to conduct a comprehensive investigation and analysis of the undercover operation. We were interviewed by Dorothy Kirkley and Joel McIntyre, attorneys for that firm. Among other things, we told them that we considered the undercover operation to have been a "classic" investigation, run by highly trained and experienced professionals. Furthermore, we told them that the execution of the undercover operation by you and Wayne Black and your respective staffs was excellent and that you should be commended.

We thought it best to wait for the law firm's investigation to have been substantially completed before presenting our views. We were informally advised that Alyeska would not be making any major decisions -- such as a decision to discard the file -- until the report from the investigating law firm was submitted and analyzed. We were recently advised that the law firm's investigation is near completion. Accordingly, we believe it is now appropriate to give you our analysis. Our analysis includes discussions of Alaska, California and Virginia cases and statutes. We are not members of the bar in those states and our discussion is for example only. If you need a legal opinion on Alaska, California, or Virginia law, you must get that from a member of the bar of that state.

Our analysis will not directly relate to the decision to shut down the operation and to forego legal action against Mr. Hamel and others involved in the theft and/or receipt of stolen documents, including attorney-client documents. Nevertheless, it is appropriate to mention that Alyeska and its owners may risk a waiver of attorney-client and work product privileges by not pursuing legal action. As a general rule, it is advisable to immediately seek the return of privileged documents which have been inadvertently disclosed or taken without consent. That way, a commitment to maintaining the integrity of the privilege can be established. Inaction, on the other hand, may be construed as inconsistent with a desire to preserve the privilege associated with the disclosed documents.

Traditionally, privileges were considered to be lost when third parties gained knowledge of the information. This traditional rule applied even when privileged documents were stolen. The rationale for this hard-line approach is that there is no confidentiality left to protect once the communication has been made public. The modern trend, however, is more flexible and focuses on whether measures were taken to correct the disclosure. See e.g., In Re: Grand Jury Proceedings Involving Berkley & Co., 466 F.Supp. 863, 868-870, aff'd, 629 F.2d 548 (8th Cir. 1980) (explaining modern trend); Parkway Gallery v. Kittinger/-

Pennsylvania House Group, 116 F.R.D. 46, 50 (M.D. N.C. 1987) (the delay and measures taken to correct and rectify the inadvertent disclosures are factors analyzed to determine whether a document has lost its privileges).

CONSEQUENCES OF DESTROYING THE FILE

Criminal Exposure

Under various federal statutes, Alyeska, its agents or owners face potential criminal liability for destroying the file. Exposure under any of these laws is unlikely, however, because each potentially applicable statute has requirements which cannot be established under our understanding of the facts.

For example, 18 U.S.C. § 1503 prohibits one from "corruptly . . . endeavor[ing] to influence, obstruct, or impede, the due administration of justice." The greater weight of authority, however, limits the phrase "due administration of justice" to pending judicial proceedings. See, e.g., United States v. Gravely, 840 F.2d 1156, 1160 (4th Cir. 1988) (destruction of private memoranda punishable where grand jury had begun investigation but had not yet requested the memoranda); United States v. Capo, 791 F.2d 1054, 1070 (2d Cir. 1986) (statute applicable where there is an existing grand jury proceeding); United States v. Metcalf, 435 F.2d 754, 756-57 (9th Cir. 1970) (statute inapplicable until, at the earliest, a complaint has been filed). But see United States v. Messerlian, 832 F.2d 778, 792-94 (3d Cir. 1987) (conviction for conspiracy to obstruct justice under 18 U.S.C. § 371, with 18 U.S.C. § 1503 as the underlying substantive offense, upheld despite absence of pending judicial proceeding because the primary purpose of the conspiracy was the total prevention of foreseeable judicial proceedings by deliberately concealing evidence), cert. denied, 108 S.Ct. 1291, 99 L.Ed. 2d 501 (1988); United States v. Blohm, 585 F. Supp. 1112, 1114 (S.D. N.Y. 1984) (indictment proper where no action pending against defendant at the time he sent threatening communications, since an attempt "to influence, obstruct, or impede, the due administration of justice" is not by its terms confined to situations in which an action is pending; even if so confined, the court still had jurisdiction over defendant because of another pending civil suit he had brought).

Even under these last two cases, Blohm and Messerlian, it is unlikely that Alyeska, its agents or owners would be held liable pursuant to 18 U.S.C. § 1503. Blohm was a hard case making bad law: defendant Blohm was being held at a federal prison for the mentally incompetent and had personally sued the judge writing the opinion. See Blohm, 585 F.Supp. at 1113. More importantly, Blohm

was still involved in his lawsuit against the judge at the time he sent the threatening communications (presumably to the same judge). Id. at 1114.

As for Messerlian, it still holds true that liability would not attach pursuant to 18 U.S.C. §1503; however, the conspiracy charge under 18 U.S.C. §371 might apply. See Messerlian, 832 F.2d at 793 ("'[w]hile it is true that the obstruction...can arise only when justice is being administered, that is to say when a proceeding is pending, there is nothing to prevent a conspiracy to obstruct the due administration of justice in a proceeding which becomes pending in the future from being cognizable...'") (citation omitted) (emphasis added).

The federal conspiracy statute, 18 U.S.C. §371, provides, in pertinent part:

> If two or more persons conspire either to commit any offense against the United States, or to defraud the United States, or any agency thereof in any manner or for any purpose, and one or more of such persons do any act to effect the object of the conspiracy, each shall be fined not more than $10,000 or imprisoned not more than five years, or both.

The government would have to show that Alyeska, its agents or owners knew a federal proceeding was foreseeable at the time the file was destroyed and that the conspirators "willfully agreed to engage in certain activities that they knew and intended would obstruct justice in the anticipated federal proceeding should it actually commence in the future." Messerlian, 832 F.2d at 794. Such a criminal conspiracy charge would be buttressed by the argument "the primary purpose of the conspiracy...was the total prevention of such [federal] proceedings by deliberately concealing evidence that could form the basis of a federal prosecution." Id. (footnote omitted). We do not see how the facts, as we understand them, would justify this type of argument.

The decision to retain or discard the file is up to Alyeska and/or its owners and has, as far as we know, not yet been made. Thus, any assessment of the viability of a conspiracy charge would be premature and speculative. Nonetheless, such criminal liability could attach if the government demonstrates the purpose of totally preventing federal judicial proceedings and a conspiracy, which our facts do not indicate at this time. However, caution is needed here. You do not want to have to defend against such charges, whether they could be properly pursued or not.

Another federal statute, 18 U.S.C. §1510 (a), was designed to deter the obstruction of justice prior to the commencement of judicial proceedings. See United States v. Cameron, 460 F.2d 1394, 1401 (5th Cir. 1972), overruled on other grounds, United States v. Howard, 483 F.2d 229, 230 (5th Cir. 1973). This statute provides that:

> (a) Whoever willfully endeavors by means of bribery to obstruct, delay, or prevent the communication of information relating to a violation of any criminal statute of the United States by any person to a criminal investigator shall be fined not more than $5,000, or imprisoned not more than five years, or both.

This statute, however, requires that bribery be used in the obstructionist endeavor. See 18 U.S.C. §1510 (a). If bribery is not employed in the obstruction, then the statute should not apply. Moreover, the purpose of the statute is to protect potential informants or witnesses and those who pass on information to federal investigators. See United States v. Kozak, 438 F.2d 1062, 1065 (3rd Cir.), cert. denied, 402 U.S. 996, 91 S.Ct. 2180, 29 L.Ed.2d 162 (1971). If such circumstances do not exist (and we have no reason to believe they do), then the statute would not apply.

Theoretically, another obstruction-of-justice statute, 18 U.S.C. §1505, could apply. A common-sense analysis demonstrates that the statute should be inapposite, however. The statute provides, in pertinent part, that:

> Whoever corruptly, or by threats or force, or by any threatening letter or communication influences, obstructs, or impedes or endeavors to influence, obstruct, or impede the due and proper administration of the law under which any pending proceeding is being had before any department or agency of the United States, or the due and proper exercise of the power of inquiry under which any inquiry or investigation is being had by either House, or any committee of either House or any joint committee of the Congress --
>
> Shall be fined not more than $5,000 or imprisoned not more than five years, or both.

This statute, however, would probably not apply for the same reason that 18 U.S.C. §1503 is inapplicable: there must be a pending judicial proceeding at the time of obstruction. See 18 U.S.C. §1505; United States v. Mitchell, 372 F.Supp. 1239, 1250 (S.D. N.Y. 1973) (18 U.S.C. §§1503, 1505, and 1510 are "mutually exclusive" and by their "explicit terms" are applicable to "different governmental activities as well as separate chronological periods"). See also United States v. Fruchtman, 421 F.2d 1019, 1021 (4th Cir.) ("proceeding" is "a term of broad scope, encompassing both the investigative and adjudicative functions of a department or agency") (citations omitted), cert. denied, 400 U.S. 849, 91 S.Ct. 39, 27 L.Ed.2d 86 (1970). But see United States v. Tallant, 407 F.Supp. 878, 888 (N.D. Ga. 1975) (falsification of records before a proceeding is commenced and in anticipation of a subpoena can be a violation of 18 U.S.C. §1505).

By way of summary, Alyeska, its agents or owners would probably not be held criminally liable for destroying the file under federal obstruction-of-justice statutes. We recommend you avoid even the theoretical possibility of such liability. In addition, civil litigation consequences of destroying the file relating to the undercover operation (if the destruction were to be revealed) are likely. Such potential consequences could be devastating to Alyeska and its owners even without a criminal prosecution or conviction. Any destruction would, at a minimum, have serious ramifications if Alyeska, its agents or owners faced a civil lawsuit. These negative consequences would occur even if only part of the file were to be destroyed. Negative consequences would undoubtedly flow from the destruction of even one document. These consequences are discussed below.

Finally, the negative publicity surrounding the destruction of evidence would be intense. Such publicity might lead to Congressional or administrative agency investigations and could have serious licensing and regulatory impact on all the parties involved.

## Civil Consequences

Destroying the file (or any part of the file) on the surveillance operations and contacts with Mr. Hamel would have serious adverse consequences for Alyeska, the oil company owners, and the private investigators in the event of civil litigation. Under the spoliation doctrine, a jury could draw an unfavorable, adverse inference against a party who has destroyed documents relevant to a legal dispute. See Bird Provision Co. v. Owens Country Sausage, Inc., 379 F.Supp. 744, 751 (N.D. Tex. 1974), aff'd, 568 F.2d 369 (5th Cir. 1978). The inferences would apply in civil litigation

with the government or with private parties, or both. The destruction of documents, if it satisfies the elements of spoliation, could create either the inference that the evidence would have been unfavorable to the destroyer or an admission of the other party's allegations. See Valcin v. Public Health Trust of Dade County, 473 So.2d 1297, 1305 (Fla. 3d DCA 1984), modified on other grounds, 507 So.2d 596 (Fla. 1987). Such inferences can lead to the entry of a default judgment. See, e.g., Carlucci v. Piper Aircraft Corp., 102 F.R.D. 472, 481-85 (S.D. Fla. 1984), aff'd in part, rev'd in part on other grounds, 775 F.2d 1440 (11th Cir. 1985).

There are five elements to the spoliation inference:

(1) demonstrating that an act of destruction has occurred;

(2) the destroyed matter must be evidence, i.e., that it be relevant to the dispute;

(3) the act of spoliation must be intentional;

(4) legal proceedings must be pending or reasonably foreseeable at the time of destruction; and

(5) the limitation of the inference to destruction by parties or their agents.

See J.S. Gorelick, S. Marzen & L. Solum, Destruction of Evidence 38 (1989).

From the information we have been provided, it appears that elements 1, 2, and 5 are satisfied. Hence, this opinion will focus on the intentionality and timing of the destruction.

As stated by a federal district court in California:

> Sanctions may be imposed against a litigant who is on notice that documents and information in its possession are relevant to litigation, or potential litigation, or are reasonably calculated to lead to the discovery of admissible evidence, and destroys such documents and information. While a litigant is under no duty to keep or retain every document in its possession, once a complaint is filed, it is under a duty to preserve what it knows, or reasonably should know, is relevant in the action, is reasonably calculated to lead to

> the discovery of admissible evidence, is reasonably likely to be requested during discovery, and/or is the subject of a pending discovery request.

Wm. T. Thompson Co. v. General Nutrition Corp., Inc., 593 F.Supp. 1443, 1455 (C.D. Cal. 1984) (emphasis supplied). See also Telectron, Inc. v. Overhead Door Corp., 116 F.R.D. 107, 127 (S.D. Fla. 1987) (citing Thompson).

Mere negligence is not enough to warrant an adverse inference. Vick v. Texas Employment Commission, 514 F.2d 734, 737 (5th Cir. 1975). Generally, bad faith is required to invoke the spoliation doctrine. Id. A party who destroys documents after being given notice of their relevance is especially likely to be found to have acted in bad faith. See id. Nonetheless, the adverse inference may be drawn upon a finding of simple intent, particularly where there is actual notice. Destruction of documents, supra at 42.

Accordingly, the pre-complaint destruction of evidence can be sanctioned. See Thompson, 593 F.Supp at 1455 (recognizing the sanctionability of destroying documents relevant to potential litigation). As another federal district court reasoned:

> Although a potential litigant is under no obligation to preserve every document in its possession, whatever its degree of relevance, prior to the commencement of the lawsuit, some duty must be imposed in circumstances such as these lest the fact-finding process in our courts be reduced to a mockery.
>
> The proper inquiry here is whether the defendant, with knowledge that this lawsuit would be filed, willfully destroyed documents which it knew or should have known would constitute evidence relevant to this case.

Bowmar Instrument Corp. v. Texas Instruments Inc., 25 Fed. R. Serv. 2nd (Callaghan) 423, 427 (N.D. Ind. 1977).

It is more difficult to draw an adverse inference where the destruction of documents was pursuant to long-standing policy. See Id. at 427-28. Accordingly, the relative novelty of any document destruction program undertaken would go far to buttress potential allegations in a civil suit that relevant evidence was willfully destroyed.

By the same token, maintaining a document destruction program to prevent the use of that information in a harmful manner in potential litigation is equally capable of supporting the inference. In one case, the court found that the defendant had destroyed "hundreds of flight test department documents" at the outset of the program and that "destruction of all potentially harmful documents was an on-going process" thereafter. Carlucci, 102 F.R.D. at 481. Since the defendant "engaged in the practice of destroying engineering documents with the intention of preventing them from being produced in lawsuits" and continued this practice "after the commencement of this lawsuit," the court found that documents "relevant to this lawsuit were intentionally destroyed" and entered a default judgment against the defendant. Id. at 485-86.

Indeed, Alyeska or its oil company owners would have to establish "the good faith disposal of documents pursuant to a bona fide consistent and reasonable document retention policy" so as to "be a valid justification for a failure to produce documents and discovery. [The issue of a bona fide document retention policy] never crystallized in [Carlucci] because [defendant] has utterly failed to provide credible evidence that such a policy or practice existed." Id. at 486.

In another case, a federal district court ordered various restrictive discovery sanctions against the Veterans Administration. National Association of Radiation Survivors v. Turnage, 115 F.R.D. 543, 551-53 (N.D. Cal. 1987). Although the court, after a three-day evidentiary hearing, found that the defendant had actual notice of the need for the destroyed documents, because of a pending document request, it is important to note that the absence of "any systematic process to comply with plaintiff's discovery request" and "[V.A.] officials' affirmative attempts to stifle full compliance with discovery requests" discredited the defendant's purported basis for document destruction, thereby establishing "culpable intent." Id.

A federal court applying California state law clarified the importance of bad faith:

> All that the authorities say, even those which [the injured parties] cite, is that when there is tampering with evidence, a presumption against the parties who are responsible arises. But the inference may be overcome by evidence in the record giving a satisfactory explanation, even when there is actual tampering.

Wong v. Swier, 267 F.2d 749, 759 (9th Cir. 1959) (emphasis in original) (citing Silva v. Northern California Power Co., 32 Cal. App. 139, 146, 162 P.412, 415 (1916)).

Accordingly, sometimes the simple intent to destroy the documents is sufficient for the inference when the responsible party was on actual notice of their importance. The "satisfactory explanation" of Wong goes to defeat the bad faith element of the inference; this explanation can be in the form of a long-standing document destruction policy which was not selective as to which documents might be harmful in future litigation. See Carlucci, 102 F.R.D. at 484 (defendant's former employees testified that the defendant company engaged in a selective purging of its documents, creating the inference).

The upshot of this reasoning is that actual tampering is permissible so long as it was reasonable, i.e., not done in bad faith. If bad faith is present, the existence of a "standard" program will not be sufficient to prevent sanctions. For example, a court rejected Piper Aircraft Company's argument that sanctions could be imposed only for post-complaint document destruction:

> [T]he adoption of the 'document retention program' in bad faith for the purpose of eliminating unfavorable design and test data from anticipated litigation [merits the imposition of severe sanctions].

Destruction of Documents, supra at 106 (citing In Re: Comair Aircrash Litigation, No. 79-104, slip. op. at (E.D. Ky. Dec. 8, 1986)) (emphasis added).

We have not been advised about whether Alyeska has a document destruction program. Many companies have programs -- but the documents are destroyed after a designated passage of time, usually lasting several years. Under the present circumstances, it would seem unusual for "new" documents (such as the file on the Hamel undercover investigation) to be destroyed. The fact that the documents were created for the purpose of pursuing litigation makes any argument that litigation is not foreseeable very strained. Furthermore, Alyeska is on notice that the documents are relevant. Thus, Alyeska would have extreme difficulty in successfully arguing that the Hamel file was simply and innocently destroyed as part of an ongoing, bona fide program.

Courts typically hold evidentiary hearings regarding the destruction of evidence. See, e.g., National Association of Radiation Survivors v. Turnage, 115 F.R.D. 543, 551-53 (N.D. Cal. 1987) (three-day evidentiary hearing); Telectron, Inc., 116 F.R.D. at 109, 111-26 (two-day hearing). These hearings are not always held, but when they are, evidence typically has been in the form of testimony from employees involved with the document destruction, such as the secretary and corporate legal counsel who ordered the destruction. See Telectron, Inc., at 109, 111-26; Carlucci, 102 F.R.D. at 484 (the court found defendant's classic "company man" not credible for saying that "[t]he destruction or retention of documents is strictly on the basis of our procedures that we have"; contrary testimony by former employees revealed a selective purging).

If Alyeska's owners (or anyone else, for that matter) directs that any documents or evidence (e.g. tapes) from the Hamel investigation be destroyed, a court would probably permit questioning of the owners, directors, in-house counsel, outside counsel, and the employees who actually destroyed portions of the file. Furthermore, a court would undoubtedly permit the questioning of other Alyeska employees to determine whether the company had a legitimate document destruction policy and whether the destruction of the Hamel file was in any way atypical.

The form and severity of sanctions is largely a function of the prejudice suffered by any party, whether private or public, who would sue Alyeska or the oil company owners -- or possibly even the investigators -- for damages caused by oil discharges. The spoliator's intent is not the most important factor. For example, a Florida state court entered a default against defendants on the underlying civil suit for their destruction of a key piece of evidence, dismissing the issue "[w]hether the [hip] prosthesis was destroyed in bad faith or accidentally" as "irrelevant in the present case." DePuy, Inc. v. Eckes, 427 So.2d 306, 308 (Fla. 3d DCA 1983) (the parties were under an agreed order not to destroy the evidence; plaintiff was unable to proceed to establish liability without that piece of evidence). See also Continental Insurance Co. v. Herman, 16 F.L.W. (D) 19, 20 (Fla. 3d DCA Dec. 18, 1990) (in this particular case, no separate cause of action for negligent destruction because of "no significant impairment in an ability to prove the underlying lawsuit"; a mere hindrance is insufficient). An important fact which distinguishes our case is that there is no agreed order - in fact there is no pending lawsuit - but as noted supra, that is not determinative.

On the other hand, the court in a New Jersey federal case did not impose sanctions for "clearly improper" destruction of documents because the conduct did not result in demonstrable injury to the other party. Struthers Patent Corp. v. Nestle Co., 558 F.Supp. 747 (D.N.J. 1981).

In cases of negligent spoliation, where the facts essential to the dispute lie "peculiarly within the knowledge" of the spoliator, courts have held that principles of fairness dictate that the burden of proof be shifted to the spoliator. See Valcin v. Public Health Trust of Dade County, 473 So.2d 1297, 1305-06 (Fla. 3d DCA 1984), modified on other grounds, 907 So.2d 596 (Fla. 1987). See also Welsh v. United States, 844 F.2d 1239, 1249 (6th Cir. 1988) (pre-litigation destruction) (citing Valcin). In other words, even under this more lenient standard, Alyeska, the oil company owners, or the investigators would have to prove that they were not responsible for the injury, instead of the plaintiff having to prove liability. As defendants, you would have to overcome this "rebuttable presumption" of liability. See Welsh, 844 F.2d at 1249.

While Alaska has not explicitly recognized the spoliation doctrine, at least as it would be applied to the present factual scenario, it has recognized a common-law cause of action in tort for intentional interference with a prospective civil action by spoliation of evidence. Hazen v. Municipality of Anchorage, 718 P.2d 456, 463 (Ak. 1986). The action for interference with the civil action would be a separate action in and of itself, independent of any civil action for the underlying discharge. See id. at 463-64. Under this cause of action, the underlying claims are considered to be "valuable, probable expectancies" which the court "must protect from...interference." Id. at 464 (citing Smith v. Superior Court, 151 Cal.App. 3d 491, 502, 198 Cal.Rptr. 829, 837 (1984) (recognizing the separate cause of action for tortious interference with a prospective civil action by spoliation of evidence)).

Florida has also recognized a separate cause of action for the failure to preserve evidence for civil litigation. Miller v. Allstate Insurance Co., 16 F.L.W. (D) 16, 17 (Fla. 3d DCA Dec. 18, 1990) (breach of contract action for failing to preserve evidence despite promise to do so); Bondu v. Gurvich, 473 So.2d 1307, 1313 (Fla. 3d DCA 1984) (negligent destruction; separate tort action), pet. for rev. denied, 484 So.2d 7 (Fla. 1986).

While Alaskan jurisprudence has yet to specifically address the effect of spoliation of evidence on the underlying cause of action, Alaska would probably apply the spoliation doctrine. At

least one Alaskan case has applied the analogous principle that failure to call a witness may warrant an adverse inference where, inter alia, the witness's testimony would not have favored the non-producing party. See Grimes v. Haslett, 641 P.2d 813, 820 (Ak. 1982).

**PAYMENTS TO MR. HAMEL**
**Possible Criminal Exposure**

Alyeska, the oil company owners, and the investigators could theoretically be exposed to criminal liability under various provisions of state and federal law for paying Mr. Hamel. The likelihood of the government pursuing such theoretical criminal violations is remote, however.

Alyeska and its agents gave money to Mr. Hamel in connection with the recovery and processing of their own stolen documents. It seems illogical to conclude that Alyeska was obstructing justice by processing documents stolen from its offices into a computer. Nevertheless, the federal government might make the argument that the payments were made to obtain stolen property (i.e., the stolen documents) and, therefore, constituted the crime of obstruction of criminal investigations:

> Whoever willfully endeavors by means of bribery to obstruct, delay, or prevent the communication of information relating to a violation of any criminal statute of the United States by any person to a criminal investigator shall be fined not more than $5,000.00, or imprisoned not more than 5 years or both.

18 U.S.C. §1510 (a).

This statute does not require that an investigation be taking place, but prohibits the obstruction of any communication to an investigator, and requires that the defendant have actual knowledge that the intended recipient of the information is a federal criminal investigator. U.S. v. Lippman, 492 F.2d 314, 317 (6th Cir.), cert. denied, 419 U.S. 1107, 95 S.Ct. 779, 42 L.Ed.2d 803 (1974). Imputing actual knowledge would be the greatest obstacle for any government argument under this statute. See id. (conviction proper if funds provided to a person with specific intent to buy that person's silence).

Considering Mr. Hamel's claims that he had shown these documents to various federal officials, the government might try to raise the convoluted argument that Alyeska, the oil company owners or the investigators knew that the documents were ultimately intended for a federal criminal investigator. A defensive argument, by the same token, would be that there could be no obstruction since Mr. Hamel could have given these documents to the government, regardless of the investigator's payment to Mr. Hamel. Because Alyeska's investigators returned the documents to Mr. Hamel after processing them, it is difficult to see how a payment to Hamel could have obstructed an investigation (assuming that Mr. Hamel was an agent for a federal investigator). Under the statute, however, it is not necessary to show an actual obstruction of justice - - only an endeavor. U.S. v. Murray, 751 F.2d 1528, 1534 (9th Cir.) (instructing a co-conspirator not to testify against him), cert. denied, 474 U.S. 979, 106 S.Ct. 381, 88 L.Ed.2d 335 (1985).

Any criminal prosecution for obstruction of justice based on the payments would be convoluted, inherently illogical and, therefore, unlikely. The technical potential for such exposure is substantially outweighed by the practical realities, though it is impossible to completely discount the possibility that the government would seek to hold Alyeska and its agents criminally culpable under 18 U.S.C. § 1510(a).

Another theoretical (yet highly unlikely) source of possible federal criminal exposure is 18 U.S.C. §1505, which provides in pertinent part:

> [W]hoever corruptly...obstructs or impedes or endeavors to influence, obstruct, or impede the due and proper administration of the law under which any pending proceeding is being had before any department or agency of the United States...[s]hall be fined not more than $5,000.00 or imprisoned not more than 5 years, or both.

While the statute refers to a "pending" proceeding, it has been construed broadly enough to arguably include the falsification of records in anticipation of an agency subpoena. U.S. v. Tallant, 407 F.Supp. 878, 888 (N.D. Ga. 1975) (falsification of records before a proceeding is commenced is an offense). See also U.S. v. North, 708 F.Supp. 364, 367 (D.D.C. 1988) (upholding conviction under 18 U.S.C. §1505 for lying, without being under subpoena or oath, in response to questions in course of Attorney General's

preliminary investigation). Please note, however, that this statute has usually been applied to acts committed in response to government action. See U.S. v. Laurins, 857 F.2d 529, 536-37 (9th Circ. 1988); U.S. v. Vixie, 532 F.2d 1277, 1278 (9th Cir. 1976). No such government action has been taken toward Alyeska as far as we know.

Again, the obstruction need not be successful; a violation occurs whenever there is an "endeavor" to obstruct such a proceeding. U.S. v. Vixie, 532 F.2d at 1278. "By analogy, it is no defense that the government might have obtained the desired information elsewhere." Id. Accordingly, the government might argue that the payment of the money to Mr. Hamel was made in an attempt to obstruct a future proceeding by taking these documents and altering or destroying them, even though the documents were returned to him.

The government would need facts to support such a theory, and there do not appear to be any such facts. Neither Alyeska nor its agents and investigators did anything to interfere with Mr. Hamel's access to any government official. The mere fact that Mr. Hamel may have been speaking with government investigators or elected officials does not necessarily mean that the undercover investigators prevented Mr. Hamel from pursuing his concerns elsewhere.

Bribery is also an offense under federal law. Federal law prohibits the bribery of public officials and witnesses. See 18 U.S.C. §201 (b) (public officials); 18 U.S.C. §201 (d) (trying to influence a witness's testimony through bribery). The facts we have been provided do not indicate the involvement of a public official for purposes of analysis of this issue. Nor do the facts indicate, at this stage, the involvement of a witness as contemplated by these statutes. We do not believe that the money paid to Mr. Hamel could logically be construed as a bribe to a witness.

Alaska, Florida, and Virginia [ rendering of assistance to persons who have committed a crime, ] Federal law also punishes accessories after the fact:

> Whoever, knowing that an offense against the United States has been committed, receives, relieves, comforts or assists the offender in order to hinder or prevent his apprehension, trial or punishment, is an accessory after the fact.

18 U.S.C. §3.

**Alaska**

felony "render assistance" to a person who has committed a

Florida

"compounding" of a felony.

Virginia

the fact. accessories after

## CAMPAIGN VIOLATIONS

During one of the taped interviews, Mr. Hamel said he had paid for Congressman Miller and his family to travel to Alaska. He did not go into much detail. Assuming that Mr. Hamel or Congressman Miller violated federal statutes governing campaign financing, Mr. Hamel's off-the-cuff comments suggest that Alyeska should be concerned about the laws governing campaign financing.

Federal statutes, however, do not impose on Alyeska, the oil company owners, or the private investigators, the duty to report Mr. Hamel's allegations regarding potential election law violations by a U.S. Congressman. The reporting duty is imposed on others. For example, one statute imposes a duty to report the status of campaign finances and donations on the candidate's treasurer. See 2 U.S.C. §434.

2 U.S.C. §437 g (d) provides that any person who "knowingly and willfully commits a violation of any provision of this Act which involves the making, receiving, or reporting of any contribution or expenditure" is guilty of a misdemeanor. No provision of the Act imposes a duty on Alyeska, the oil company owners, or the investigators to report any knowledge of violations of the campaign laws. Violations of the Act are misdemeanors. Accordingly, there would not be criminal liability outside the Act for misprision (active concealment) of a felony, because under federal law, there is no such thing as misprision of a misdemeanor. See Presont v. U.S., 281 F. 131, 132 (6th Cir. 1922); U.S. v. Venturini, 1 F.Supp. 213, 215 (S.D. Al. 1931).

CIVIL/CRIMINAL LIABILITY FOR FAILURE TO REPORT "KNOWLEDGE" OF ENVIRONMENTAL VIOLATIONS

During the undercover operation, Mr. Hamel repeatedly made vague allegations about illegal dumping off the coasts of Alaska, Florida and California. Alyeska's investigators never met any of the persons who allegedly witnessed the dumping, nor did they see any documents (e.g., photographs, affidavits, videotape, etc.) establishing the veracity of these allegations. Despite the lack of support, the duty to report must be analyzed.

This duty to report has different foundations and consequences depending on which jurisdiction's law applies, whether Alaska, California, Florida, or federal.

Federal

The significance of reporting under federal law cannot be overstated. The Oil Pollution Act of 1990, enacted and effective on August 18, 1990, provides that the failure or refusal of a responsible party to report the discharge, where the person knows or has reason to know of the discharge, eliminates any and all defenses to liability for removal costs or damages, i.e., an act of God, an act of war, or the act or omission of a third party. 33 U.S.C. §1321 (g), as amended by the Oil Pollution Act of 1990, P.L. 101-380, §1003, 104 Stat. 491.

Assuming discharges occurred prior to this amendment, there is no limitation on defenses to liability for failure to report. Federal law is not clear whether the dispositive date is that of discharge or of the report. In light of §1020 of the Oil Pollution Act of 1990, however, which provides that the Act applies to incidents occurring after its enactment, the limitation should apply only as to discharges occurring after August 18, 1990.

An additional incentive to report is that any person who makes a disclosure is protected from the use of such notification or information obtained by the exploitation thereof "in any criminal case" against him. See 33 U.S.C. §1161 (b) (4); 42 U.S.C. §9603 (b) (3); U.S. v. Reynolds Metals Co., 359 F.Supp. 338, 339 (S.D. Tex. 1973). This provision, however, would not affect any civil liability on the part of Alyeska or the oil companies for the discharge itself.

The federal statutes contain explicit requirements regarding the duty to report unauthorized discharges of oil and hazardous substances. Both 33 U.S.C. §1321 (b) (5) and 42 U.S.C. §9603 require "any person in charge of a vessel" to report these discharges to the appropriate agency of the U.S. Government. Both these statutes provide for punishment of imprisonment for not more than one year or a fine of not more than $10,000.00. The federal statutes define "person" to include a corporation. 33 U.S.C. §1362 (5).

The more problematic area is the question of what it means to be "in charge." Alyeska, the oil company owners, and the investigators could also fall within the meaning of 33 U.S.C. §§407 and 411, which make it unlawful to "cause, suffer, or procure" a discharge or "knowingly aid, abet, authorize, or instigate" a discharge, respectively. The analyses of the phrases "in charge", "cause, suffer, or procure," and "knowingly aid, abet, authorize or instigate" are similar and would not seem to impose a duty to report on those persons lacking supervisory control over the source of discharge. While §§407 and 411 themselves do not impose the duty to report on a "person in charge," liability has been analyzed by applying standards similar to the ones used in the "in charge" analysis.

For example, a supplier was held to be not liable for a purchaser's discharge of a hazardous substance because "to suffer" includes the elements of knowledge and the ability to prevent. See U.S. v. Outboard Marine Corp., 549 F.Supp. 1032, 1036 (N.D. Ill. 1982) (prosecution under 33 U.S.C. §407). The court rejected the government's argument that the supplier was liable because it "knew of the discharges and could have prevented them by refusing to supply [the discharger] with the [hazardous substance]." Id. (emphasis in original). The court reasoned that "the Government runs the risk of proving too much, for everyone failed to hinder the alleged discharges." Id.

A master of a vessel which discharged a prohibited substance has been held to be a person "in charge" of the vessel. In Re: Scow #36, 144 F. 932, 935-36 (1st Cir. 1906); U.S. v. Moran, 113 F. 172, 173 (S.D.N.Y. 1901) (the master could be held liable for "aiding and abetting"). See also U.S. v. Interlake Steel Corp., 297 F.Supp. 912, 915 (N.D. Ill. 1969) (although the statute does not require any scienter or evil intent for liability for discharge, "knowledge is a required element of an aiding and abetting offense.")

The duty to report does not extend "to every person who might have knowledge of an oil discharge (mere employees, for example), but only the persons who occupy positions of responsibility and power." U.S. v. Mobil Oil Corp., 464 F.2d 1124, 1128 (5th Cir. 1972) (investigating the legislative history). The reporting requirements do not apply solely to owners and operators. U.S. v. Greer, 850 F.2d 1447, 1453 (11th Cir. 1988). Nonetheless, the duty to report includes any person who is "responsible for the operation" of the source of discharge. Apex Oil Co. v. U.S., 530 F.2d 1291, 1294 (8th Cir.), cert. denied, 429 U.S. 827, 97 S.Ct. 84, 50 L.Ed.2d 90 (1976). Accordingly, the reporting requirements reach down to a person who, "even if of relatively low rank ... because he was in charge of a facility, was in a position to detect, prevent and abate a release of hazardous substances." U.S. v. Carr, 880 F.2d 1550, 1554 (2nd Cir. 1989).

Numerous cases demonstrate that a corporation can be a "person in charge" of a source of discharge. See, e.g., U.S. v. Mobil Oil Corp., 464 F.2d at 1127; U.S. v. Hougland Barge Line, Inc., 387 F.Supp. 1110, 1115-16 (W.D. Pa. 1974); U.S. v. Reynolds Metals Co., 359 F.Supp. 338, 339 (S.D. Tex. 1973). The courts (for example, in Mobil Oil) have considered the term "person in charge" when deciding whether a corporation which owned the source of discharge would itself be entitled to immunity from criminal prosecution where an individual within the corporation reported the violation. The government there bases its argument that the corporation could face criminal liability on information reported by one of its employees. See U.S. v. Mobil Corp., 464 F.2d at 1127.

Because the corporation can be a person "in charge" of the source of discharge, the oil company owners could theoretically be held criminally liable for failure to report the discharge if they have knowledge of a discharge through one of their employees or agents who is not himself in charge of the source. The corporation itself could also face criminal liability for not reporting the discharge. Thus, the crucial question is one of sufficiency of knowledge of the discharge. In other words, what can Alyeska be said to "know" about based on the rambling, vague allegations of dumping and discharges made by Mr. Hamel?

As discussed previously, one way to impute knowledge under the federal law of the circuit containing Alaska and California, is that of "willful blindness." United States v. McAllister, 747 F.2d 1273 (9th Cir. 1984); U.S. v. Suttiswad, 696 F.2d 645 (9th Cir. 1982); U.S. v. Murrieta-Bejarano, 552 F.2d 1323 (9th Cir. 1977); U.S. v. Jewell, 532 F.2d 697 (9th Cir. 1976). This concept is applied in the Second, Seventh, Tenth and Eleventh Circuits as well. See U.S. v. Mohabir, 624 F.2d 1140 (2nd Cir. 1980); U.S. v.

Burns, 683 F.2d 1056 (7th Cir. 1982); U.S. v. Glick, 710 F.2d 639 (10th Cir. 1983); U.S. v. Gaines, 690 F.2d 849 (11th Cir. 1982).

Stated one way, willful blindness is a "conscious purpose to avoid learning the truth." U.S. v. Jewell, 532 F.2d 697, 701 (9th Cir. 1976). This element is closely related to the previously discussed concept of positive knowledge, but includes and punishes the state of mind of one who does not possess positive knowledge only because he consciously avoided it. Id. at 702 & n.13.

The willful blindness doctrine is not, however, applied blindly:

> The rule that wilful blindness is equivalent to knowledge is essential, and is found throughout the criminal law. It is, at the same time, an unstable rule, because judges are apt to forget its very limited scope. A court can properly find wilful blindness only where it can almost be said that the defendant actually knew. He suspected the fact; he realized its probability; but he refrained from obtaining the final confirmation because he wanted in the event to be able to deny knowledge. This, and this alone, is wilful blindness. It requires in effect a finding that the defendant intended to cheat the administration of justice. Any wider definition would make the doctrine of wilful blindness indistinguishable from the civil doctrine of negligence in not obtaining knowledge.

Id. at 700 n.7 (citation omitted).

If the federal government makes the argument that Alyeska or the oil company owners somehow had some knowledge of dumping or discharges (from Mr. Hamel's allegations), but deliberately refused to investigate, then the government could prosecute a case for failure to report against those "in charge" of the vessel involved in the alleged illegal discharge -- assuming there was an illegal discharge from a vessel operated by Alyeska or one of its owners.

For example, the government could argue that Mr. Hamel repeatedly made allegations about illegal dumping and discharges -- and that Alyeska and its owners were on notice that at least some illegal dumping was occurring. To the extent that Mr. Hamel mentioned the name of a particular vessel or master or gave sufficient information to permit the vessel to be identified, the

government might argue "willful blindness" if these allegations were not thoroughly investigated. The possibility of this occurring, even if remote, must nonetheless be presented for your consideration. The required state of mind (willful blindness) differs from positive knowledge only so far as necessary to encompass a calculated effort to avoid the sanctions of the statute while violating its substance. 'A court can properly find willful blindness only where it can almost be said that the defendant actually knew.'" U.S. v. Jewell, 532 F.2d.

To the extent that a violation of federal or state environmental laws could be a felony, criminal liability for misprision of felony would require the defendant's "full knowledge" of the fact that the principal committed and completed the felony. See United States v. Ciambrone, 750 F.2d 1416, 1417 (9th Cir. 1984); United States v. Hodges, 566 F.2d 674, 675 (9th Cir. 1977).

"Full knowledge" is doubtful because Mr. Hamel's allegations are vague and arguably groundless. For those allegations which appear to have some merit (i.e., Mr. Hamel has provided specifics), full knowledge would more easily be demonstrable through the willful blindness doctrine.

Alaska

reporting requirement.

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[

]

California

[ ] reporting requirement. [

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Florida

reporting requirement:

## CONCLUSION

The execution of the undercover operation was excellent. Alyeska would probably not be exposed to criminal liability if it destroyed all or part of the Hamel undercover file. This cannot be guaranteed, however. Given Mr. Hamel's political connections and his popularity with many employees, the government could conceivably pursue a strained, illogical prosecution. Alyeska would face devastating consequences in civil litigation if it destroyed all or part of the file. Regardless of whether there would be civil or criminal litigation, we recommend that all documents and evidence be preserved. The payments to Mr. Hamel would probably not generate any criminal exposure. Any effort to construe the payments as providing assistance to a criminal involved in the theft of documents would be inherently illogical and contrary to the facts. Furthermore, there is absolutely no evidence to suggest that the payment was made to persuade Mr. Hamel not to cooperate with law enforcement. Alyeska is not under a duty to report any potential campaign violations concerning Mr. Hamel's alleged payment of expenses for a trip taken by a Congressman. Alyeska may be required to report the allegations concerning illegal dumping and discharges, though this requirement seems tenuous because Mr. Hamel's allegations are vague and are usually so nebulous that it is impossible to know whether Alyeska or its owners were "in charge" of a vessel. To the extent that Mr. Hamel has provided credible information pinpointing a particular vessel or a specific incident, we recommend that Alyeska and its owners investigate and determine whether reporting is advisable.

Please feel free to contact us with any questions or comments.

Very truly yours,

RICHEY, MUNROE, FINE & GOODMAN

William L. Richey

Jonathan Goodman

JG/kg
cc: Mr. Alan Bernstein
Senior Vice President
Wackenhut Corporation

Mr. Wayne Black
Director, Special Investigations
Wackenhut Corporation

(1)

PAUL, HASTINGS, JANOFSKY & WALKER

PRIVILEGED AND CONFIDENTIAL
ATTORNEY-CLIENT COMMUNICATIONS MEMORANDUM
ATTORNEY WORK PRODUCT
PREPARED IN ANTICIPATION OF LITIGATION

TO: File - TAPS

DATE: October 10, 1990

FILE NO: 18970.50899

FROM: John P. Burns - LA

COPIES TO:

SUBJECT: Conference with Paul S. Bilgore and Alfred T. Smith

On October 10, 1990, Leonard Janofsky, Joel McIntyre and I met with Paul S. Bilgore, Senior Counsel of ARCO Transportation Company, and, for a portion of the conference by telephone, with Alfred T. Smith, General Counsel of Alyeska Pipeline Service Company ("Alyeska"). Prior to this meeting we had been retained by the Trans-Alaska Pipeline System ("TAPS") Owners Committee to conduct an investigation. Mr. Bilgore and Mr. Smith are counsel to the TAPS Owners and Alyeska, respectively. Accordingly, our conversations with them are privileged attorney-client communications. The following is my summary of my recollection of the conference with Messrs. Bilgore and Smith and my impressions, conclusions and opinions based thereon.

Description of Enterprise

We have been retained by the stockholders of Alyeska in their capacity as a stockholders committee (the "Owners Committee") that functions in accordance with Section 351 of the Delaware General Corporation Law. Alyeska is a Delaware corporation that operates TAPS on behalf of the TAPS owners. TAPS is owned in undivided interests, and the outstanding stock of Alyeska is owned in proportional amounts, by pipeline subsidiaries of the following seven oil companies: Amerada Hess, Atlantic Richfield Company, British Petroleum Company, Exxon Corporation, Mobil Oil Corp., Phillips Petroleum Company and Unocal, Inc. Alyeska has no ownership interest in TAPS.

Alyeska acts as an agent of the Owner's Committee, which is comprised of one member (with one alternate) designated by each Alyeska stockholder. The members (called "Owner's Representatives") and alternates of the Owner's Committee are identified on Exhibit A

TAPS000044

555 South Flower Street, Los Angeles, CA 90071 695 Town Center Drive, Costa Mesa, CA 92626
1299 Ocean Avenue, Santa Monica, CA 90401 133 Peachtree Street, N.E., Atlanta, GA 30303
1050 Connecticut Avenue, N.W., Washington, D.C. 20036 One Canterbury Green, Stamford, CT 06901
9 West 57th Street, New York, N.Y. 10019 4-3, Toranomon 1-chome, Minato-ku, Tokyo 105

hereto, which was supplied by Mr. Bilgore. The Owners Committee has established certain subsidiary committees comprised, in some instances, by designees of the owners of TAPS who are not members of the Owners Committee. Mr. Bilgore is chairman of the Legal Affairs subcommittee and is the ARCO Transportation Company designee thereto, but is not a member of the Owner's Committee. Mr. Biglore has been designated as the legal liaison with PHJ&W.

Three of the TAPS interest holders own, in aggregate, over 90% of the total interest in TAPS: BP Oil Company (as successor in interest to British Petroleum and the Standard Oil Company of Ohio) holds greater than a 50% interest, ARCO Pipe Line Company (a subsidiary of ARCO Transportation Company) holds approximately 21.3% and Exxon Pipeline Company owns approximately 20.1%. Mr. Biglore will provide us with a precise schedule of interests. The TAPS owners share operating costs and other capital requirements of TAPS (through Alyeska) and the profits from TAPS in proportion to their respective interests. It is not clear whether voting on the Owners Committee or the subcommittees is per interest or per capita.

Principal Persons Involved.

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|---|---|---|
| James B. Hermiller | - | President of Alyeska; hired from Brittish Petroleum at the time of the Exxon Valdez oil spill to improve operations and restore public confidence; has been doing a good job thus far. |
| Steven Dietrich | - | In charge of non-operational matters at Alyeska; Wellington's supervisor; on loan from (and now returned to) Exxon Pipeline Company in Houston, Texas. |
| A.T. "Fred" Smith | - | General Counsel of Alyeska |
| J. Patrick Wellington | - | Director of Security at Alyeska |

| | | |
|---|---|---|
| Lon R. Trotter | - | Senior Attorney of Alyeska |
| Wackenhut | - | International security consulting firm with a long- standing relationship with Alyeska; investigating team supervised by Wayne Black; ultimate authority was Alan B. Bernstein - Executive Vice President of Domestic Operations; team included Dr. Jenkins (pseudonym for Wayne Black) and four others. |
| Ecolit | - | a dummy business established in February 1990 by Wackenhut; purported to provide support for persons litigating ecological and/or environmental issues. |
| Peter James | - | Los Angeles legal counsel to Alyeska engaged to prepare for document replevy and related actions; may have drafted complaints; law firm is Baker & Hosteller, McCutchen Black. |
| Edward Boiko | - | Local Alaska legal counsel engaged to assist Peter James with replevy and related actions. |
| Charles Hamel | - | Former administrative assistant to former U.S. Senator Michael Gravell (D-Alaska); strong ties to Cordova Alaska fisherman's union (which is publicly opposed to TAPS and Alyeska); activist/dis- |

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| | | sident group gadfly - reputed to traffic in information ("gossip", "dirt", etc.) and to be the principal recipient of leaked confidential TAPS/Alyeska information; no apparent means of support; U.S. Rep. George Miller (D-California) is his current "pet" politician, close ties to Miller's administrative assistant - Miller appears to covet chairmanship of interior committee and is vocal in opposition to TAPS and Alyeska; also has an intimate relationship (by Hamel's own admission) with Ray Nigh - senior air quality administrator for region 9 (includes city of Valdez) - recently issued a notice of deficiency to Alyeska that has been termed "scandalous" in its inaccuracy. |
| Ray Scott | - | Alyeska technician stationed at Valdez facility; long considered for discharge for just cause for, among other reasons, performing his duties significantly below the required proficiency level; suspected of leaking confidential information concerning TAPS/Alyeska to outside persons. |

P2R60004

Background Information.

Hamel's "obsession" with TAPS/Alyeska appears to have begun several years ago when he and others chartered a tanker to transport crude oil purchased at Valdez to refineries on the west coast of the United States. The crude did not command the price Hamel anticipated because, according to refinery personnel, it contained significant amounts of water. Hamel charged TAPS/Alyeska with watering the oil in the pipeline. An Alaskan government administrative tribunal subsequently rejected Hamel's assertion. Hamel has since claimed, among other things, that tankers are mixing hazardous waste in with their ballast water prior to pumping the water through the Valdez facility purification system. Approximately 6 years ago, Hamel offered to sell for $12 million certain useful technology to TAPS/Alyeska that would aid in their ballast water purification efforts. Hamel's offer was declined and some people speculate that it was in reality a disguised request for a payoff.

Alyeska is a named defendant in over 180 pending suits stemming from the Exxon Valdez spill. The high profile of TAPS/Alyeska and the increasing "politicizing" of ecological/environmental matters has caused them to be among the most heavily investigated companies in the United States. Alyeska, the Owners Committee and the TAPS owners feel that TAPS/Alyeska has a delicate public image that could be damaged seriously by further leaks or unfavorable publicity. Alyeska has been the subject of numerous and damaging leaks of confidential information. As an example, Mr. Bilgore indicated that the Scottish Eye, an English television show, contrasted Brittish Petroleum's participation in TAPS/Alyeska with BP's North Sea operations, showing TAPS/Alyeska in a very poor light. The story made public portions of confidential memoranda prepared by outside legal counsel to Alyeska, but no one knows how the memoranda came into their possession. The memoranda themselves were shown on the television program. In addition, Alyeska personnel feel that the TAPS owners do not understand their business or situation. These factors have combined to create paranoia among the employees and a "siege mentality" of the enterprise as a whole.

F2R50

The Wackenhut Investigation.

In February 1990, Wellington proposed to Hermiller and (probably) Dietrich an investigation to be conducted by Wackenhut that was intended to eliminate the repeated wrongful disclosure of confidential information by TAPS/Alyeska personnel. In authorizing Wellington to proceed with the investigation, Hermiller stressed the requirement that all activities be conducted in a proper and lawful manner. Hermiller claims to have informed Fred G. Garibaldi, the Owners Committee member from BP Oil and the Chairman of the Owner's Committee, that the investigation was going to be commenced. Mr. Garibaldi has a vague recollection of conversations with Hermiller concerning the investigation on one or two occasions.

An as yet unidentified female operative of Wackenhut made contact with Hamel at the Alaska Frontier Conference in her guise as an Ecolit representative. They met again inadvertently and conversed on the return flight. Hamel's inclination to drop names and openly discuss his relationship with politicians, groups and others encouraged Wackenhut to cultivate a relationship with him. Dr. Jenkins was introduced to Hamel and became his principal contact. Dr. Jenkins subsequently visited Hamel's home in Alexandria, Virginia where Hamel showed him the following confidential TAPS/Alyeska documents: (i) an attorney work product memorandum of Gibson, Dunn & Crutcher analyzing the current TAPS/Alyeska situation against the "promises" made at the time the project was proposed; (ii) an attorney work product memorandum of Gibson, Dunn & Crutcher setting forth an almost minute-by-minute chronology of the Exxon Valdez incident and the TAPS/Alyeska response to it; and (iii) a confidential proposal by a consultant hired by Alyeska to consider the advisability/feasibility of undertaking certain health risk studies in and about TAPS/Alyeska facilities. Hamel did not disclose how he came into possession of the confidential materials, but it is possible that they were removed by an Alyeska employee from a desk in the legal department. Messrs. James and Boiko were engaged by Alyeska at this time.

Wackenhut then opened an Ecolit office in Virginia near Hamel's residence. An indeterminate number of meetings were held between Dr. Jenkins, Hamel and other Wackenhut operatives at the new Ecolit office. These meetings disclosed that Hamel claimed a close association with the union shop steward at TAPS pumpstation 6, from whom Hamel claimed to be receiving a TAPS/Alyeska employee mailing list. Hamel stated that he intended to distribute to these employees an inflammatory newsletter of his authorship entitled An Outsider's View in an effort to undermine the TAPS/Alyeska newsletter An Insider's View. Hamel also requested in one or more of these meetings to be placed on the Ecolit payroll as a consultant. He suggested characterizing the payments to him as being for "software". Hamel was stalled by claims of thin financing made by Ecolit personnel while Wackenhut discussed the legality of such payments with Florida counsel versed in white collar criminal law. Hamel was subsequently paid $2,000.00 as a consultant on each of two occasions by Wackenhut operatives. Hamel apparently discussed and boasted of his political and other relationships (described above) throughout these meetings.

Wackenhut videotaped certain of these meetings and audio-taped several other conversations (all face-to-face?) between Wackenhut operatives and Hamel. Wackenhut claims to have cleared these activities in advance with their Florida legal counsel. Approximately 10 hours (running time) of such videotape and an unknown amount of audio tape was produced by Wackenhut. Hermiller claims to have consulted Mr. Garibaldi again prior to the commencement of any taping. Mr Garibaldi has confirmed that he was aware of the investigation but that he did not appreciate the gravity of the situation. Messrs. Smith and Trotter were informed of the investigation's existence sometime between February and August 1990.

During the period that these meetings were occurring, Wackenhut conducted an unknown number of searches of Hamel's household trash. It is not known where the trash was located (whether on or off Hamel's property, at the curb, etc.) when obtained by Wackenhut. One such search is believed to have produced evidence confirming that Scott had leaked confidential

TAPS/Alyeska information to Hamel. We do not know of what this evidence consists. Hamel's trash was not searched again after Hamel voiced his suspicion that Exxon was responsible for at least one such search. We do not know whether Wackenhut conducted any surveillance activities with respect to Hamel. We do not know the current employment status of Scott, but Mr. Janofsky strongly cautioned against discharging such employee at this time if he had not yet been discharged.

Owners Committee Response

Upon becoming aware of the investigation, the Owners Committee, itself and through the Legal Affairs subcommittee, held a meeting on September 25, 1990 and on October 3, 1990. The substance of such meetings are outlined in the confidential memoranda of Mr. Bilgore attached hereto as Exhibits B and C. The Owner's Committee resolved to take the following actions, among others:

(i) Shut down all operations in an expedient manner and immediately discontinue any further recording and videotaping;

(ii) Avoid using the tapes, recordings and other information for any purpose, including the purposes of taking action against Alyeska employees;

(iii) Assemble and preserve all relevant data pending further instructions as to disposition;

(iv) Avoid any further dissemination of the fact of the investigation; and

(v) Retain outside legal counsel to (a) satisfy itself as to the facts underlying the security investiga- tion; (b) determine the appropriate disposition of the data collected during the investigation; and (c) provide assurances that the investigation created no liability exposure to Alyeska or its owner companies.

Persons "In the Know".

At least the following persons are believed to be aware of all or a portion of the information outlined above:

- each member of the Owners Committee and at least one additional person at each Owner
- the TAPS/Alyeska personnel named above (other than Scott)
- an Alyeska legal assistant named Kilty
- the Florida counsel to Wackenhut, and Messrs. Boiko and James
- the Wackenhut personnel named or described above
- Ron Olson, the legal counsel having primary responsibility for the Exxon Valdez actions

In addition, the following legal counsel are aware that the Wackenhut investigation occurred and, possibly, some or all of the other events described above (all such persons are in-house counsel for the companies indicated, except for Mr. Tabor):

| Names | Affiliation |
|---|---|
| Averill M. Williams<br>A.B. "Burt" Tabor | Amerada Hess<br>Vinson & Elkins<br>(counsel to Hess) |
| Robert Johnson<br>William Webb | BP Oil Company |
| E. Anne Pace<br>Malcom Hawk<br>John Rebman<br>Ken Roberts | Exxon Pipeline Company |

F2R503052

| | |
|---|---|
| Thomas Weinans | Mobil Alaska Pipeline Co. |
| Glenn Davis | Phillips Alaska Pipeline Co. |

Tangible Materials

The following tangible materials were known to have been produced during the course of the Wackenhut investigation:

- videotapes
- audio tapes
- investigators' reports (periodic and special)
- trash evidence implicating Scott
- general correspondence
- attorney work product of James

We do not know whether additional materials (such as personal notes and memoranda) were produced or the current location of the known tangible materials.

J.P.B.
10/10/90

① ✓ 9/27

PAUL, HASTINGS, JANOFSKY & WALKER

PRIVILEGED AND CONFIDENTIAL
ATTORNEY-CLIENT COMMUNICATIONS MEMORANDUM
ATTORNEY WORK PRODUCT
PREPARED IN ANTICIPATION OF LITIGATION

TO: File - TAPS

DATE: October 11, 1990

FILE NO: 18970.50899

FROM: John P. Burns - LA

COPIES TO:

SUBJECT: Conference with F. Garibaldi, D. Warner, W. Rusnack and P. Bilgore

On October 11, 1990, Leonard Janofsky, Joel McIntyre and I met with Fred G. Garibaldi, Darrell G. Warner, William C. Rusnack and Paul S. Bilgore. Mr. Garibaldi, Mr. Warner and Mr. Rusnack are members of the TAPS Owners Committee, our client in this matter. Mr. Bilgore is Chair of the Legal Affairs Subcommittee of the Owners Committee. We advised them that our conversations with them are privileged attorney-client communications and we emphasized the importance of maintaining the confidentiality of the conversations. The following is my summary of my recollection of the conference and my impressions, conclusions and opinions based thereon.

TAPS Operating Structure

Alyeska was formed in 1973 to construct TAPS. Alyeska now acts as the agent for each and all TAPS owners in staffing, managing and operating TAPS. Alyeska owns no property, it merely deals with the property of the individual TAPS owners. The fiscal 1990 Alyeska operating budget includes approximately $300 million of capital expenditures and $600 million of operating expenses. Because Alyeska is not operated on a for-profit basis, all capital needs are funded as needed by the TAPS owners in proportion to their ownership interests. Alyeska employs directly approximately 1200 persons and indirectly an additional 1500 employees of various independent contractors. Although all members of Alyeska management originally were seconded from the various TAPS owners, today all but the three or four most senior managers are outside hires.

Owners Committee

The Owners Committee discharges the functions traditionally served by directors, even though Alyeska

LR50305

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1050 Connecticut Avenue, N.W., Washington, D.C. 20036 · One Canterbury Green, Stamford, CT 06901
9 West 57th Street, New York, N.Y. 10019 · 4-3, Toranomon 1-chome, Minato-ku, Tokyo 105

EXHIBIT 105

has no actual board of directors in accordance with applicable Delaware Law. The Owners Committee considers such matters as general corporate policy, significant management and organizational structure issues and capital budgeting. All significant matters decided by the Owners Committee require the affirmative vote of the holders of at least 66-2/3% of the outstanding Alyeska stock. The Owners Committee met quarterly until 1989 when the frequency of meetings more than doubled. A.T. "Fred" Smith, General Counsel and Secretary of Alyeska, acts as the secretary at all Owners Committee meetings.

The Owners Committee maintains several standing subcommittees, many of which are comprised, wholly or partly, of persons who are not members of the Owners Committee. All subcommittees, other than Legal Affairs, have at least one representative from Alyeska. Subcommittees currently include, among others, Public Relations, Marine, Audit and Accounting, Human Resources and Legal Affairs.

Public Image

From its inception, Alyeska was directed by the TAPS owners to stay out of the public and governmental arenas. This direction was imposed by the TAPS owners because they were unable to reach consensus on most public and regulatory issues. Nevertheless, Alyeska enjoyed a positive public image (including with respect to environmental matters) until late 1984 or early 1985, at which time a loose coalition of activists and dissidents coalesced around Chuck Hamel. As was described by
Mr. Bilgore during his October 10, 1990 meeting with the PHJ&W attorneys, Hamel was willing to lead this "Alyeska Mafia" because of the allegedly watered oil he purchased from Exxon. Hamel has telephoned Mr. Warner from time to time to press his claim against Exxon and demanded in settlement amounts escalating over time from $11 million to $17 million.

Hamel's group was on the offensive from 1984 through 1987. The group first attempted, without success, to assail the TAPS owners individually. Alyeska then became the group's focus. The issues in all cases concerned, among other things, operational safety, air

quality, impurities in the pipeline, contaminated ballast water and sludge on the Valdez harbor floor. Alyeska was defenseless given the TAPS owners' refusal to permit public response. Although each allegation made against Alyeska proved to be groundless, Alyeska's reputation in environmental matters was severely (and wrongly) damaged.

Since 1984, Alyeska has been the subject of numerous investigations conducted by the United States Congress, the Environmental Protection Agency, the United States General Accounting Office, the Federal Bureau of Investigation and several state agencies. The TAPS owners attempted, commencing in early 1988, to reverse the decay of Alyeska's reputation, but lack of commitment and consensus among the TAPS owners caused the attempt to fail. Alyeska has shown good progress in repairing its public image since its management change in early 1989.

The Wackenhut Investigation

Although Hamel's (and his group's) claims are untrue, it has been apparent for over a year that his background information is accurate and could only have been supplied by one or more persons within Alyeska and/or the TAPS owner organizations. Alyeska engaged The Wackenhut Corporation to investigate the information leak(s) without the knowledge or concurrence of the Owners Committee.

James Hermiller, Alyeska's President and Chief Executive Officer, telephoned Mr. Garibaldi in late August of 1990 to advise him that Alyeska had some videotapes that the Owners Committee members should view. Mr. Garibaldi did not then appreciate the significance of Mr. Hermiller's statements and took no action. On or about September 18, 1990, Mr. Hermiller contacted each Owners Committee member and requested that they and the members of the Legal Affairs Subcommittee meet to discuss the information developed in the course of the investigation. The meeting was held on September 25, 1990 in Denver, Colorado. The attendees of and actions taken at the September 25th meeting, and the subsequent Owners Committee meeting on October 3, 1990, are described in Mr. Bilgore's memoranda of October 2 and 3, 1990 delivered to PHJ&W on October 10, 1990. Mr

Garibaldi described the substance of the two meetings for the benefit of the PHJ&W attorneys present.

Request for Investigation

Mr. Garibaldi reiterated Mr. Bilgore's earlier request that PHJ&W represent the stockholders of Alyeska, in their capacity as a stockholders committee that functions in accordance with Section 351 of the Delaware General Corporation Law, in conducting an investigation into the Wackenhut investigation and related events. A general discussion of the objectives of the PHJ&W engagement ensued and the following agenda was agreed upon by Messrs. Garibaldi, Warner and Rusnack:

1. assemble an accurate factual picture of the events and circumstances comprising and surrounding the Wackenhut investigation;

2. determine what (if any) obligations the products of the Wackenhut investigation place upon Alyeska, the Owners Committee or the Owners Committee members' corporate affiliates with respect to Alyeska's employees, agents, contractors and others;

3. assess the civil or criminal liability to which the Wackenhut investigation may have exposed Alyeska, the Owners Committee, the Owners Committee members' corporate affiliates or any employee of Alyeska and, if such risk is present, recommend possible means of reducing such risk; and

4. advise the Owners Committee regarding the proper disposition of the products of the Wackenhut investigation.

Concluding Matters

Mr. Janofsky advised those present of the privileged and confidential nature of these discussions and the PHJ&W investigation. Mr. Janofsky also discussed certain procedural safeguards necessary to protect such confidentiality and preserve the attorney-client and attorney work product privileges. Mr. Garibaldi requested that PHJ&W prepare and present to the Owners

52R50057

Committee guidelines for protecting confidentially and such privileges.

Mr. Bilgore inquired about the status of Mr. McIntyre's discussions with Wackenhut concerning consent to PHJ&W's representation of the stockholders of Alyeska in their capacity as a stockholders committee as described above. Mr. McIntyre informed those present that Wackenhut had given its consent to the PHJ&W representation and that he was preparing a confirming letter for execution by Wackenhut.

Mr. Garibaldi concluded the meeting by requesting that PHJ&W discuss its proposed investigation methodology with the full Owners Committee at a meeting scheduled for October 18, 1990.

John P. Burns
10/11/90

T2R503050

REPORT OF INVESTIGATION
SPECIAL INVESTIGATIONS DIVISION

TO: PAT WELLINGTON

FROM: WAYNE B. BLACK

DATE: OCTOBER 16, 1990

RE: TELEPHONE CONVERSATION WITH KATHY HAMEL

---

At approximately 5:45 p.m., eastern standard time I returned a call to Hamel. He had been calling me for the past two days.

I talked with his wife Kathy who told me that he had just left to get his hair cut and he would return my call. I gave them the Ecolit number and my car phone number and asked that he call me back. The conversation was short and nothing of significance was discussed.

WBB:jl
427.A29

PRIVILEGED WORK PRODUCT INFORMATION

10-11-90

Bill Reasnach-ARCO JFM Paul Bilgore
Fred Garibaldi-BP LSJ
Denell Warner-Exxon JB

Letter to Wickenhuet - we to Prop
Close corporation
Letter from owners Comm retaining
DS as counsel

Fred Garibaldi

TAPS structure of practical management
Constructing entity - formed in '73
Asset of the owners - pipeline - undivided interest
Agreement - shares owned in proportion to undivided interest
Agreement - operating company
Record - from owners can or outside lines
More basis security
Dr might continue to be "leased" from owners
Top 3 or 4 as "leases" from owners

Owners to acts as B/D except "voting procedures"
Typical of what would go to the B/D of a usual corp
Vote according to shares - major decisions require 66⅔% &
and at least 3 owners
Most actions - there is a formal vote

F2R503904

The three in this room control
50.1 BP 20.3 Exxon 92% total
21.5 ARCO often of owners
have the balance

EXHIBIT 106

(2)

TAPS - 110 employees
2700 people working for it
1 Billion annual budget - Exp & operating

Subcommittees of owners Comm

A number of committees { Legal Panel operations PR Pub Affairs, etc

Tend to be alternates to owners committee
Alyeska represented in each sub-committee

Atmosphere facing Alyeska

Pipeline has it hands full. Impossible to get in public arena in any positive way. Decided to stay out of the public and governmental arenas.

Focused public efforts internally and on non-controversial issues. Good reputation until 1985-86

1985-6 Informal group formed that started pointing out things Alyeska had done wrong. Key actor - Charles Hamel. Out to get Alyeska.

Traces back to purchase of crude oil from an owner that he was unhappy about.

Hamel became a crusader against Alyeska. Offered an interim counsel that he would "go away" for a sum of money.

Tried to call Werner. "If you don't going to do something about my claim, I'll tell you what I'm going to do next"

F2R503905

Had a number of issues that he has raised. Short term approach.

(2)

Mass press and friendly agencies to get out his views.

1984-85 when he started. Glycobs was NOT then in the public arena. Cumbersome to respond.

Discrediting gained momentum because it largely went unchallenged.

Up to 87, reputation deteriorated. Mid-88 commenced efforts to turn its image around. Decided to get out Glycobs story. Not very successful in getting story out in 1988.

Not effective up to time of Exxon Valdez. Thereafter, made some changes and strengthened people, etc. Now making headway.

Investigation by FBI, GAO, etc

numerous investigations prompted by Hamel

Following E-V

Jonathon Wells - British "Mike Wallace" but more liberal. Did program comparing BP operations in North Sea w Valdez. Stated the operations were much better in North Sea.

Showed on program some privileged documents prepared by counsel.

New documents - Some re Spill. Program 3-4 mos after the Spill

Wells stayed at Hamels' house during preparation of this program (Hamel says)

F2R503906

(2)

Algeska contract program to find leaks.
Clear that Hand has had access to
Algeska documents for some time.

Was aware of a concern { Denell was not aware that Algeska had taken on this program.
Hendricks didn't know any details.
Never talked about any details of any "program"
at the owners committee

In July or Aug – Fred had a conversation w Hewitt
Had tapes of Hand that he should show to owners
concern. Never occurred to him that at one anything
like what they found out on 9/25

On 9/25 – H called the middle of the person wd.
Wanted to meet in Denver w the 3 major owners
before the 10/3 owners Common mtg

Fred
Bill w counsel
Denell w counsel
Jim Pat W Smith Tom Tuttle

Peter Jones had talked to Wakefield Counsel. Found that no thing was legal.

Paul B thought Jones + Ray be one retained only to decide whether to take steps in any action or lawsuit

Ray + he of tapes. Reviewed what had happened. Smith said counsel had reviewed all of the activities.

Denell – it was Wakefield counsel who said everything had been done legally

F2R503907

(5)

"assured" that counsel had reviewed activities & that everything was legal.

We think that Smith got this input from Jones

Also got opinion that it could use Hamel. Maybe also a criminal opinion

also - a lot of discussion that a low level employee was supplying some info to Hamel. Couldn't end up the line suspected of providing info to Hoover

Allegedly recommended

recommended that Scott be terminated because of this activity - passing on company information

Owners instructed G — No more taps

1) Terminate operation H&H,

2) Not to use any of the information gathered,

Discussed tapes - instructed to destroy the tapes, etc so that it could not be used

After 6/25 - Owners had conversations that led to handle at full owners (Owners entity (Civil and Criminal) Concerned over legal issues & violations flowing from the investigation

In Exec session of owners Owens v Hermelin and Fred Smith

Brief summary of what had taken place by Fred Smith

F2R503908

Fred Hoo – asked "Do you want to be burdened with all this info"

They all said they wanted to know what was going on

We were "legitimatizing" Howard and giving them credibility.

Decided to bring in outside counsel to take on certain tasks, as follows:

1. Verify the facts and confirm to ourselves that what was done was legal

2a How much can the "moons" be told??

2. Advise if information gathered places any obligation on [~~Colsporter~~] FBI or Establishment vis-a-vis Watchers Howard ???

3. Are we exposed to a civil suit – if so, on what grounds
What can we do to minimize exposure

4. What options available re disposition of this information
Dispose of it – F2R503909

They will be looking into this issue. Not an issue they are raising to us

5. Control w/in Agency
Do we need controls over and above what

What to get them resolved w/in a month?

Are They asking the right questions?

Are the tapes subject to any Exxon-Valdez litigation limitation

Document retention program of Algeria

Meet w Entire owners Committee

10/11/90 2pm. - 4p.m.

| | |
|---|---|
| Paul G. Bilgore | Legal Affairs subcommittee liaison |
| Fredo Garibaldi | Chairman - Owners Committee |
| William C. Rusnack | ARCO Transportation Co. - Owner's Rep |
| Darrell G. Warner | Exxon Pipeline Company - Owner's Rep |

LSJ
JFM
JPB

• voting: generally 2/3 in interest and 3 Owner's for big items

confirmed clearance of potential conflicts w/ general counsel at Wachtell today - JFM will compose and send letter

FG:

TAPS operating structure:

Alyeska constructing entity formed in '73 acts as agent for each and all owners - owns no property in its own right - all held by various Owners

most original top mgmt were secondees and lower echelons outside hires

now only top mgmt. secondees (3 or 4 top guys) and rest outside hires

Owner's Committee acts as a board

- policy
- key mgmt/org. structure matters
- expenditures beyond $___

usual outside director role

F2R503919

EXHIBIT 107

C

BP 50.1
ARCO 21.5
Exxon 20.5

voting differs from usual board-interest voting
mtgs were quarterly, until year or so ago
when frequency doubled +
→ in reality requires BP + ARCO/Exxon + one other
or BP + ARCO + Exxon

1100+ employees ~ 2700 incl. contractors
budget < 600+ million expense } 1990
300+ mil. capital } $9 bil facility

Subcomms
public relations
marine
audit/acc.
human resources
etc.

Alyeska has rep. on each subcom.
except Legal Affairs

Fred Smith is Secretary at Owner's Com. mtgs
Sec. of Alyeska

---

Atmosphere / Environment
Alyeska could not get out into public/
govt arena (in fact directed to stay out)
Sec. Owners rarely agreed on issues
- only ltd. public relations efforts

had good public image until 3/85 (incl.
environmentally)

F2R503920

grp. coalesced ("Alyeska Mafia") at this time headed by Hamel bec. of purchase of watered oil from one Owner
attacked Owners individually - failed
attacked Alyeska - failed
issues: safety
air quality
contaminated ballast water
sludge on harbor floor
impurities in pipeline
telephoned Mrs. Warner from time to time re his "claim" $11 mil. → $17 mil +

his 'group' was on the offensive from '84-'87
- Alyeska was defenseless bec. of no publicity posture
- reputation re environmental matters became crap - wrongly

Owners attempted to reverse this trend in ~~'88~~ middle early '88 - not effective bec. of lack of commitment, other reasons

changed staff c. Feb '89 (Ex Val spill)
made good progress

investigated by GAO, FBI, Congress, EPA incessantly

F2R503321

Jonathan Wills - Scottish Eye
actually showed on TV privileged & confid. work product memos since spill

4

does. were only 3-4 mos. old at that time (→ Alexandria
Wills stayed at Hamel's house (acc. to Hamel
during show preparation

While Hamel's claims are shit, his base
info. is right on - clearly from

Warner didn't know investigation commenced -
only of concern; Garibaldi ~~~~ concurs;
Rusnack was not on Owner's Com.; Hermiller
says he didn't tell Rusnack's predecessor (Hentze)
Bilgore thought (from someone at BP) that
BP was looking into info. leaks re
Scottish Exc - later heard inquiry turned
up nothing; Grar. doesn't think inquiry
commenced at BP

Owner's Com. members did not address
at or outside mtgs Alyeska investig.

Hermiller told Garib. in 7 or 8/90 that
Alyeska had some tapes Owners should
see; Garib. had no clue what this
really meant; he ignored it

F2R503922

~9-18 Hermiller called those present (here) (also
invited counsel) to get together in Denver

(6)

pre Owner's Com. mtg. to discuss info. developed ~~at~~ in investigation; mtg. held 9-25; saw approx. 1 hour of tape. got assurance from Smith that he had had Peter James touch base w/ Wackenhut counsel to see that nothing was ~~more~~ illegal; Bigore recalls that only advice re legality was rendered by Miami counsel to Wackenhut (not P. James).

legal opinion (verbal) given by Smith (from James) that Alyeska had grounds for civil and, possibly, criminal actions against Hamel

Scott was recommended (by Alyeska) ~~for~~ specifically for termination on basis of proof of leak source - he was then on suspension for fighting on ~~a~~ the job

Orders to Alyeska on 9-25:

STOP taping
terminate activities
secure materials
hold on Scott/others

F2R503923

Warner, Rusnack & Gray had concern that investigation had occurred and possible

subsequent legal probs.

Gor. then described 10/3 Owner's Com mtg.

Smith gave brief summary of events (w/out details re taping, etc.)

Gor. asked Com. after Smith left whether they wanted to be burdened w/ info - they all said yes they needed to know all - they were told

Concluded outside counsel reporting to O Com. not Alyeska

tasks:

① confirm facts
what happened
on whose authority
was it all legal

② does info. gathered, place any obligations on O Com. / Owners — re employees, agents, contractors, Harnel, others

③ does any activity create exposure of civil action on Alyeska / OC / Os - if so, advice re minimizing (or crim.)

F2R503924

④ what should be disposition of materials

①

they will be looking at our findings also
w/ view to internal controls examination

Questions:

① they estimate it will take 1 month or so.
what do we think?

② Are they asking the correct questions?

LSJ explained A-C privilege
urged non-discussion outside OC mtgs in capacity
as OC members - general discussion ensued

Rusnack asked re getting stuff back from Wachenhut
and sent to Joel - concurred

Warner suggested contacting Olson re whether any
materials ~~xxx~~ are subject to retention/
production in con- w/ Exxon Valdez litigation

JFM requested copy of Alyeska document
retention policy - Bilgore will provide

Gar. asked us to send letter of instruction
re confidentiality & privilege to Com.
Members — cover personal notes & memos and
Co. files, etc.

Gar. asked us to prepare a game plan and
to present it to the entire Committee

F2R503925

1/9

PAUL, HASTINGS, JANOFSKY & WALKER

PRIVILEGED AND CONFIDENTIAL
ATTORNEY-CLIENT COMMUNICATIONS
ATTORNEY WORK PRODUCT PREPARED
IN ANTICIPATION OF LITIGATION

# MEMORANDUM

TO: File - TAPS

DATE: January 9, 1991

FILE NO: 18970.50899

FROM: Dorothy Y. Kirkley - ATL

COPIES TO:

SUBJECT: TAPS

On December 21, 1990, I returned Wayne Black's phone call. He told me that Wackenhut had had another contact from Charles Hamel. He explained that Hamel had called Ecolit's Miami number and that Black was not available. In error, Adrian Caputi was beeped and she returned Hamel's call. She said that Hamel continued to be angered by Ecolit's closing and that he was still looking for Black. It is my impression that this is not a favorable development with respect to the credible winding down of Ecolit since it is inconsistent with the cessation of operations for Caputi to have been paged when Hamel called the Ecolit Miami number.

In response to my question, Black also advised that the one tape recording that he made of a phone conversation with Hamel was made from a phone at Washington National Airport.

DYK/leg

Dorothy Y. Kirkley
for Paul, Hastings, Janofsky
& Walker

F2R503358

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1050 Connecticut Avenue, N.W., Washington, D.C. 20036 One Canterbury Green, Stamford, CT 06901

EXHIBIT 108

PAUL, HASTINGS, JANOFSKY & WALKER

MEMORANDUM

TO: Joel McIntyre - LA
Dorothy Kirkley - ATL

FROM: R. Bruce Dickson - WDC
Randall M. Stone - WDC

DATE: December 7, 1990

FILE NO: 18970.50899

COPIES TO:

SUBJECT: Trans-Alaska Pipeline System:
Legal Issues Arising from Pollution-
Related Allegations of Mr. Charles Hamel

I. Introduction

In the course of an investigation into the activities of Mr. Charles Hamel, Alyeska Pipeline Service Company ("Alyeska") identified certain allegations made by Mr. Hamel regarding potential or actual environmental violations incident to the operation of the Trans-Alaska Pipeline System and its terminal at Valdez. In its evaluation of Alyeska's investigation of Mr. Hamel, it is important that the TAPS Owners' Committee determine whether Alyeska reacted appropriately upon receiving information from Mr. Hamel. Environmental allegations of the sort alleged by Mr. Hamel in the course of the Alyeska investigation could, in some circumstances, create obligations on the part of Alyeska.

In evaluating the investigation of Mr. Hamel, it will be necessary to determine:

T2R503625

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1299 Ocean Avenue, Santa Monica, CA 90401 133 Peachtree Street, N.E., Atlanta, GA 30303
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EXHIBIT 109

- first, whether any Hamel allegation contained new information that had not previously been brought to Alyeska's attention;

- second, whether the information learned in the investigation created any legal obligation to respond (e.g., an obligation to investigate, an obligation to report, an obligation to remedy, or an obligation to notify an owner);

- third, whether every such obligation was fulfilled.

This memorandum reviews a number of applicable statutes and regulations to determine whether any such obligations may have been triggered by Alyeska's having acquired information from Mr. Hamel during the course of its investigation. In addition to the statutes and regulations, Alyeska holds a number of permits, copies of which we have not seen. Typically, such permits require self-monitoring, corrective action and reporting to regulatory authorities upon discovery of a violation.



TAR003826

## II. Allegations and Summary of Conclusions

### A. Allegations

With respect to Alyeska, Mr. Hamel's pollution charges include the following:

1. The allegation that the pipeline and/or the vertical supports thereof are corroded and that breaks or ruptures in the pipeline and resulting oil spills are likely and/or possible as a consequence thereof.

   - This may simply repeat allegations made in 1985 and earlier.

2. The allegation that in the event of a major earthquake it is likely that the pipeline will rupture resulting in oil spills and environmental damage.

   - It is unclear whether this is pure speculation, or contains new information.

3. The allegation that crude oil recovered from ballast water and/or from "slop" off-loaded at the Valdez terminal is added to the product in the pipeline for the purpose of increasing through-put, and, therefore, the profits of the owner companies.

4. The allegation that Alyeska knowingly allows its ballast water treatment facility in Valdez to be improperly used to treat hazardous substances off-loaded from tankers at the Valdez terminal. The allegation includes the charge that the Alyeska ballast water treatment facility lacks the capacity to properly treat the volume of material processed through it and that it is not designed to treat and/or eliminate the substances other than



TIR503827

crude oil contained in the material delivered to it for processing.

- This appears to be the same allegation as was made in 1985 and apparently was reported by Hamel to EPA and investigated by EPA at that time.

5. The allegation that Alyeska is discharging into the ocean at Valdez:

   a. Contaminated ballast water that is not fully and/or properly treated because the capacity of Alyeska's ballast water treatment facility is exceeded; and/or

   b. Hazardous materials processed through Alyeska's ballast water treatment plant because that plant is not designed to treat and/or eliminate substances other than crude oil from the material it processes.

      - These appear to be the same allegations as were made as early as April 1985 and were investigated by EPA. If the allegations made in the course of Alyeska's investigation of Hamel are simply repeat the old claims and are not new charges of repeated violations, it would appear that no new information was gained in the course of the investigation.

In addition, Mr. Hamel has suggested improper conduct by companies utilizing the TAPS and companies which possess ownership interests in Alyeska. The alleged improprieties include:



EXH000828

1. The allegation that conditions on board vessels carrying crude from Alaska to ports in the lower 48 are unsafe and that such vessels are undermanned and under-maintained. This allegation is made generally with respect to all vessels and specifically with respect to Exxon vessels.

2. The allegation that crude oil and hazardous wastes are being discharged or dumped into the ocean in the Gulf of Mexico. The allegations made are that:

   a. Crude oil is being discharged;

   b. Barrels or other containers of hazardous materials are being dumped overboard; and

   c. The content of "slop" tanks is being discharged.

3. The allegation that hazardous substances are being off-loaded by vessels at the Alyeska ballast water treatment facility in Valdez and therefore improperly disposed of, rather than being treated or disposed of as required by law. This allegation relates to material pumped from the tanks of vessels heading into dry dock in the lower 48 into the ballast water tanks of vessels making the return trip north to Valdez and hazardous substances allegedly being pumped into the ballast water tanks of vessels which have off-loaded Alaskan crude oil at refineries in the lower 48 before such vessels begin their return trip north to Valdez. This allegation is made generally but also specifically as to Exxon, BP and ARCO.



EXH503829

B. Summary of Conclusions

If Alyeska knows that the allegations of Mr. Hamel are factually baseless, or if they concern only past events which were previously investigated or reported, they do not create any new legal obligations for Alyeska. On the other hand, if the Hamel investigation brought to the attention of Alyeska violations of environmental laws, regulations or permits previously unknown to company officials, then Alyeska may have had a legal obligation to report the incident or to remedy the violation. It must be emphasized that several of the relevant environmental laws, regulations and permits include not only essential pollution-related provisions, but also additional self-reporting requirements.

Although the relevant laws do not explicitly require a detailed introspection regarding any and all allegations of illegality made by outsiders, some amount of internal investigation may be advisable. In considering whether the relevant individuals possessed "knowledge" of an environmental incident sufficient to invoke affirmative reporting requirements imposed by law, the limited case law on the subject suggests that it is



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proper to infer such knowledge from surrounding circumstances. See United States v. Greer, 850 F.2d 1447 (11th Cir. 1988). Because Alyeska became aware of Hamel's allegations in the course of its investigation, and because certain laws require continuous self-monitoring by the company, Alyeska might be deemed to have had knowledge of any actual violation that may have occurred, even if it lacked specific knowledge of an incident. Under such circumstances, Alyeska could face increased penalties for failure to report a "known" incident or for failure to remedy a violation after becoming aware of it, if it summarily dismissed the allegations without further inquiry.

In addition, if Alyeska is considered to be an agent of the owners, it may have had an obligation to report to the owners information it acquired in its investigation of Mr. Hamel.[1/] We have confined our review to environmental issues and assume that others have researched the legal relationships between Alyeska and the owners and the extent to which information in the hands of Alyeska can be imputed to the owners, thereby

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1/ See, for example, 3 Am.Jur.2d, Agency § 211.

creating response or reporting obligations on the part of the owners.

III. Analysis

A. Federal Laws Implicated

1. The Trans-Alaska Pipeline Authorization Act (43 U.S.C. § 1651 et seq.) and the Trans-Alaska Pipeline System Reform Act of 1990 (Pub. L. 101-380, Title VIII, § 8001 et seq.).

The Trans-Alaska Pipeline Authorization Act ("Pipeline Act") governs the liability of Alyeska for incidents resulting in damage which occurred before August 18, 1990. If such incidents occurred after that date, the company's liability is dictated by the law as amended by the Trans-Alaska Pipeline System Reform Act of 1990.[2/]

The Trans-Alaska Pipeline Authorization Act imposes strict liability upon the holder of the trans-Alaska pipeline right-of-way for "damages [occurring before August 18, 1990] in connection with or resulting from activities along or in the vicinity of the . . .

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2/ The recent amendments are effective as of the date the law was enacted, which was August 18, 1990. See Pub. L. 101-380, Title I, § 1020. The text of Pub. L. 101-380 is printed at 136 Cong. Rec. H6233-59 (daily ed. August 1, 1990).



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Trans-Alaskan Pipeline" unless such damages were "caused by an act of war or negligence of the United States, other government entity, or the damaged party . . . ." 43 U.S.C. § 1653(a)(1) (1990). Statutory strict liability of the holder of the pipeline right-of-way is limited to $50 million for any one incident, and liability of the pipeline company for damages in excess of $50 million is dictated by the ordinary rules of negligence. Id. at § 1653(a)(2).

The Pipeline Act specifically authorizes governmental response to pipeline-related pollution if the pipeline owner does not take adequate steps.

> If any area within or without the right-of-way or permit area . . . is polluted by any activities conducted by or on behalf of the holder to whom such right-of-way or permit was granted, and such pollution damages or threatens to damage aquatic life, wild life, or public or private property, the control and total removal of the pollutant shall be at the expense of such holder . . . . Upon failure of such holder to adequately control and remove such pollutant, the [Coast Guard] in cooperation with other federal, state, or local agencies, or in cooperation with such holder, or both, shall have the right to accomplish the control and removal at the expense of such holder.

Id. at § 1653(b). Thus, the law also provides for governmental recovery of costs incurred in appropriate



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situations. Failure to respond to allegations of discharges -- should they be correct -- can therefore lead to government response at the expense of Alyeska.

Recently enacted legislation, which amends the Pipeline Act, broadens potential statutory liability of Alyeska for incidents occurring after August 18, 1990. The new law will add novel civil penalty provisions to the existing statutes. The Secretary of the Interior may assess and collect a civil penalty with respect to any discharge of oil (1) in transit from fields or reservoirs supplying oil to the trans-Alaska pipeline; or (2) during transportation through the trans-Alaska pipeline or handling at the terminal facilities, that causes damage to, or threatens to damage, natural resources or public or private property. Id. at § 8202. Both the person causing or permitting the discharge and the owner or owners of oil at the time the discharge occurs are jointly, severally, and strictly liable for all penalties assessed pursuant to this new civil penalty section. Id. The amount of the civil penalty assessed may not exceed $1,000 per barrel of oil discharged. Id. In assessing the magnitude of the penalty, the Secretary is directed to consider the seriousness of the damages, the cause of



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the discharge, any history of prior violations of applicable rules and laws, and the violator's efforts to minimize or mitigate the effect of such discharge. Id. No civil penalty assessed by the Secretary pursuant to the new law can be in addition to a penalty assessed pursuant to Section 311(b) of the Federal Water Pollution Control Act. Id.

To the extent that Alyeska obtained information in the course of its investigation of Mr. Hamel relating to discharges of oil in violation of the recently enacted legislation, the Secretary would consider whether the company took any steps upon receipt of that information to minimize or mitigate the effects of the discharge. Alyeska's action or failure to act in mitigation upon learning of discharges through its investigation of Mr. Hamel could affect the magnitude of any penalty imposed.

2. The Trans-Alaska Pipeline Authorization Act (43 U.S.C. § 1651 et seq.) and the Oil Pollution Act of 1990 (Pub. L. 101-380, Title I, § 1001 et seq.).

Vessels' liability for the release of oil derived from the TAPS is dictated by the Trans-Alaska



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Pipeline Authorization Act, if the incident occurred before August 18, 1990, or by the Oil Pollution Act of 1990, if the incident occurred after that date.

The Pipeline Act imposes statutory strict liability upon vessel owners and operators for damages resulting from certain discharges of oil taken from the trans-Alaska pipeline.

> [I]f oil that has been transported through the Trans-Alaska Pipeline is loaded on a vessel at the terminal facilities of the pipeline, the owner and operator of the vessel . . . shall be strictly liable without regard to fault . . . for all damages, including clean-up costs, sustained by any person or entity, public or private, . . . as the result of discharges of oil from such vessel [occurring before August 18, 1990].

43 U.S.C. § 1653(c)(1) (1988). Statutory strict liability for all claims arising out of any one incident shall not exceed $100 million. The owner and operator of the vessel bear joint and several liability for the first $14 million of such claims, and a statutorily created Trans-Alaska Pipeline Liability Fund is liable for the balance of the claims that are allowed up to $100 million. Id. at § 1653(c)(3).



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Regulations promulgated under the Pipeline Act require the person in charge of a vessel immediately to notify the National Response Center of any discharge of oil from a vessel carrying TAPS oil. 43 C.F.R. § 29.8 (1989).

The Oil Pollution Act of 1990 ("Oil Pollution Act") repeals the vessel liability provisions of the Pipeline Act for incidents occurring after August 18, 1990, and replaces them with new oil spill liability rules applicable to most vessels and facilities.[3/]

The Oil Pollution Act states that "each responsible party for a vessel or a facility from which oil is discharged, or which poses the substantial threat of a discharge of oil, into or upon the navigable waters

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3/ The new liability rules of Title I of the Oil Pollution Act will not apply to pipeline or terminal activities of Alyeska. By its own terms, that title is inapplicable to any discharge "from an onshore facility which is subject to the Trans-Alaska Pipeline Authorization Act (43 U.S.C. § 1651 et seq.)." See Pub. L. 101-380, Title I, § 1002(c)(3). "'[O]nshore facility' means any facility . . . of any kind located in, on, or under any land within the United States other than submerged land," and the term "facility" explicitly includes any structure, group of structures, equipment, or device, which is used for certain purposes incident to the petroleum industry, including pipelines used for such purposes. Pub. L. 101-380 § 1001(9), (24).



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or adjoining shorelines . . . is liable for . . . removal costs and damages . . . that result from such incident." Pub. L. 101-380, Title I, § 1002(a). Incidents involving vessels associated with the Trans-Alaska Pipeline System, which occur after August 18, 1990, are governed by the Oil Pollution Act.

3. The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA") (42 U.S.C. § 9601 et seq.)

The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA") dictates an entity's liability for response costs incurred as a result of a release, or threatened release, of any hazardous substance into the environment. 42 U.S.C. § 9604(a)(1). Petroleum, crude oil, and any fraction thereof are explicitly excluded from the definition of "hazardous substances," although that term does include certain petroleum refining industrial wastes.4/ 42 U.S.C. § 9601(14) (1988). CERCLA encompasses releases both on land and into the navigable waters of the United States. Id. at § 9601(8).

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4/ See, e.g., 40 C.F.R. § 302.4 (1989) (substances K049-K052).



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A facility owner or operator, a hazardous substance generator, and a hazardous substance transporter may all bear strict, joint, and several liability for clean-up costs recoverable under CERCLA. Id. at § 9607.

The United States government may respond to a hazardous substance-related incident which may present an imminent and substantial danger to the public health or welfare, and thereafter recover response costs from any of these parties, only if it acts consistently with a published National Contingency Plan, and if the site involved is on the government's National Priority List. In addition, however, CERCLA authorizes response by state governments or any other person to respond to a hazardous substance-related incident, and recover response costs, even if the site involved is not included on the National Priority List.

CERCLA also includes a requirement that individuals notify proper authorities of releases of hazardous substances in excess of certain threshold amounts. Part 302 of Title 40 of the Code of Federal Regulations enumerates the reportable quantities of



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various hazardous substances, in case of release. The law requires that "[a]ny person in charge of a vessel or an offshore or an onshore facility shall, as soon as he has knowledge of any release . . . of a hazardous substance from such vessel or facility in quantities equal or greater than those determined pursuant to section 9602 of this title [see 40 C.F.R. Part 302], immediately notify the National Response Center established under the Clean Water Act [33 U.S.C. § 1251 et seq.] of such release. 42 U.S.C. § 9603(a).

Failure of the person in charge of the releasing vessel or releasing facility to notify immediately the appropriate agency as soon as he has knowledge of such release, or submission of a false or misleading notification may warrant fines or imprisonment. Id. at § 9603(b). Notification received pursuant to the statutory requirement, or information obtained by the exploitation of that notification, generally may not be used against any person in a subsequent criminal case. Id.

To the extent that Alyeska obtained information reportable under CERCLA as a result of Mr. Hamel's

statements during the investigation, it may have had an obligation to report.

4. The Federal Water Pollution Control Act (33 U.S.C. § 1321) and the Oil Pollution Act of 1990 (Pub. L. 101-380, Title IV, § 4301 et seq.)

The Federal Water Pollution Control Act (the "Clear Water Act") prohibits discharge of harmful quantities of oil or hazardous substances by vessels or onshore facilities into or upon the navigable waters of the United States, or into or upon the waters of the contiguous zone. 33 U.S.C. § 1321(b)(3) (1988). Those substances deemed "hazardous substances" for the purposes of the Clean Water Act, and reportable quantities for emission of such substances are set forth in Parts 116 and 117 of Title 40 of the Code of Federal Regulations.

"Whenever any oil or a hazardous substance is discharged, or there is a substantial threat of such discharge, into or upon the navigable waters of the United States, adjoining shorelines, or into or upon the waters of the contiguous zone . . . the [United States government] is authorized to act to remove or arrange for the removal of such oil or substance at any time, unless

[it] determines such removal will be done properly by the owner or operator of the vessel, onshore facility, or offshore facility from which the discharge occurs." 33 U.S.C. § 1321(c)(1). The United States government may generally recover from the responsible owner or operator for actual costs of removal, if the removal was accomplished consistently with the National Contingency Plan. Id. at § 1321(c), (f).

The Clean Water Act also includes provisions requiring the person in charge of a vessel or an onshore or offshore facility to immediately notify the appropriate agency of the United States government of any discharge of oil or hazardous substances covered by the Act. Id. at § 1321(b)(5). See also, 33 C.F.R. Part 153 (1989), 40 C.F.R. §§ 110.10, 117.21, 302.6, 302.7(a)(3) (1990). Fines and imprisonment are authorized by the law for the failure to provide such notification immediately and as soon as any individual has knowledge of any discharge of oil or a hazardous substance. 33 U.S.C. § 1321 (b)(5).

Any knowledge of discharge which Alyeska gained as a result of its investigation of Mr. Hamel may have

triggered an immediate notification obligation under the Clean Water Act.

### 5. Hazardous Liquid Pipeline Safety Act (49 App. U.S.C. § 2001 et seq.)

The Hazardous Liquid Pipeline Safety Act directs the Secretary of Transportation to promulgate regulations establishing minimum Federal safety standards for the transportation of hazardous liquids, including petroleum or petroleum products, and pipeline facilities. 49 App. U.S.C. §§ 2001-2002 (1988). All who engage in the transportation of oil and other hazardous liquids, or who own or operate pipeline facilities, must comply with the requirements established by any safety standard promulgated by the Secretary, establish and maintain a plan of inspection and maintenance, and permit access to and copying of records regarding compliance. Id. at § 2006(a).

Violators of section 2006(a), or any regulation or order issued by the Secretary, can be liable for a civil penalty not exceeding $10,000 for each violation for each day that the violation persists up to a maximum civil penalty of $500,000 for any related series of

violations. In addition, willful and knowing violation of section 2006(a) may amount to a criminal violation subjecting the person to a criminal fine and/or imprisonment for a term of up to five years. Id. at § 2007.

The Secretary of Transportation has promulgated regulations governing the transportation of hazardous liquids by pipeline at Part 195 of Title 49 of the Code of Federal Regulations. Subpart F of Part 195 prescribes minimum requirements for operating and maintaining pipeline systems constructed with steel pipe. 49 C.F.R. §§ 195.400-195.440 (1989). The regulations generally prohibit the operation or maintenance of pipeline systems at a level of safety lower than that required by the regulations of Subpart F and the procedures the pipeline is required to establish under Subpart F. Id. at § 195.401(a).

Furthermore, if an operator "discovers any condition that could adversely affect the safe operation of its pipeline system, it shall correct it within a reasonable time . . . [unless] the condition is of such nature that it presents an immediate hazard to persons or

property [in which case] the operator may not operate the affected part of the system until it has corrected the unsafe condition." Id. at § 195.401(b).

Pipeline operators must complete and submit an accident report for each failure in a pipeline system in which there is a release of the hazardous liquid transported resulting in certain circumstances, including the following: (1) explosion or fire; (2) loss of 50 or more barrels of liquid; (3) death of any person; (4) certain bodily harms to any person; or (5) estimated property damage to the property of the operator or others exceeding $5,000. Id. at § 195.50. Certain incidents must be reported by telephone to the National Response Center at "the earliest practicable moment following discovery of a release of the hazardous liquid transported." Id. at § 195.52. Other incidents set forth in section 195.50 require submission of a written accident report no later than thirty days after discovery of the accident. Id. at § 195.54.

In addition to the accident reporting requirements codified in Part 195, the regulations require inspection and reporting of certain safety-

related conditions which may not actually have resulted in an accident. The Department of Transportation's regulations mandate periodic pipeline inspection for corrosion and replacement of corroded parts, and regular valve maintenance. Id. at §§ 195.416-195.420. Corrosion, material defects, physical damage, or malfunctions may necessitate preparation and filing of a "Safety-Related Condition Report" within five working days after the day a representative of the operator first determines that such a condition exists. Id. at § 195.55-195.56.

Any information acquired from Mr. Hamel in the course of Alyeska's investigation which suggested an unsafe condition on the pipeline system or an accident might give rise to obligations under these sections.

6. Section 28 of the Mineral Leasing Act of 1920, as Amended, Governing Rights-of-Way for Pipelines Through Federal Lands (30 U.S.C. § 185)

Alyeska holds a right-of-way or permit subject to section 185 of Title 30 of the United States Code. See Alyeska Pipeline Service Company v. United States, 624 F.2d 1005 (Ct. Cl. 1980). Under that section of the

Code, the Secretary of the Interior or other federal agency head must impose requirements for the safe and environmentally sound operations of affected pipelines and related facilities. 30 U.S.C. § 185(g), (h) (1988). Noncompliance with any provision of that section, or with the safety or environmental terms of a permit, may result in suspension or termination of a right-of-way, enforcement of any common carrier obligations imposed by section 185, or imposition of appropriate penalties. Id. at § 185(o), (r)(5).

Regulations promulgated by the Bureau of Land Management under the authority of 30 U.S.C. § 185 clarify that permit requirements designed to control or prevent damage to the environment constitute a term and condition of any right-of-way grant or temporary use permit. 43 C.F.R. § 2881.2(3) (1989). Those regulations also specifically announce that any activity being conducted or authorized by the holder of the Trans-Alaska Pipeline System right-of-way or permit which endangers public health or safety or the environment justifies the immediate suspension of that activity and immediate remedial action by an authorized official. Id. at § 2883.5. Furthermore, the authorized official may

proceed to initiate the process of suspension or termination of a right-of-way grant if it is determined that the holder has failed to comply with any term, condition, or stipulation of the right-of-way grant or applicable laws or regulations. Id. at § 2883.6-1.

It is likely that the grant of right-of-way for the pipeline imposes correction and reporting obligations upon Alyeska following receipt of information indicating a violation of its terms or an unsafe condition. If Mr. Hamel provided any such information, obligations may have been created.

7. The Ocean Dumping Act (33 U.S.C. § 1401 et seq.)

Prohibited acts set forth in the Ocean Dumping Act include the transportation from the United States of any material for the purpose of dumping it into ocean waters, except as authorized by a permit issued pursuant to that Act. 33 U.S.C. § 1411 (1988). "Material" which may not be dumped at sea includes, but is not limited to, solid waste, garbage, chemicals, industrial waste, and oil, to the extent that such oil is taken on board a vessel for the purpose of dumping. Id. at § 1402.

EPA may assess a civil penalty of up to $50,000 for each violation of the Ocean Dumping Act which it discovers. Id. at § 1415(a). In addition to any civil penalties, one who knowingly violates the law, or regulations promulgated thereunder, may be subject to criminal penalties including a fine of not more than $50,000 and/or imprisonment for not more than one year. Each day of a continuous violation, or each dumping incident from separate vessels, will constitute a separate offense under the Act. Id. at § 1415(b), (c).

If Alyeska learned of its own violations of these provisions, it may have been obligated to correct the violation. Failure to correct after receiving notice may affect the size of the penalty. If it learned of violations by an owner company, it may have been obligated to convey that information to the affected owner.

8. The Act to Prevent Pollution from Ships (33 U.S.C. § 1901 et seq.), and the International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 relating thereto ("MARPOL 73/78").

The Act to Prevent Pollution from Ships ("APPS") provides a legislative framework for the implementation of the International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 relating thereto ("MARPOL 73/78") in the United States. The APPS directs the Coast Guard to promulgate regulations for the administration and enforcement of MARPOL 73/78, regarding pollution from ships, but also concerning terminal and reception facilities for oil and noxious liquid substances. 33 U.S.C. §§ 1903(b), 1905.

Violations of the AAPS, regulations promulgated thereunder, or MARPOL 73/78 may subject the violator to civil and/or criminal penalties. Id. at §§ 1907(a), 1908. Knowing violations may justify criminal penalties including fines of up to $50,000 and imprisonment for no more than five years. Id. at § 1908(a). The APPS also authorizes civil penalties for both violations of substantive requirements and for the making of any false,

fictitious, or fraudulent statement regarding a legal obligation to provide notice to the Coast Guard. Id. at § 1908(b).

Part 151 of Title 33 of the Code of Federal Regulations sets forth the Coast Guard regulations governing vessels carrying oil, noxious liquid substances, and certain waste. Except in emergencies, and when enumerated circumstances and conditions are met, the regulations prohibit any discharge of oil or oily mixtures into the open sea from the machinery space bilge of an oil tanker. 33 C.F.R. § 152.10 (1989). In addition, the regulations reiterate that violations of MARPOL 73/78, which would include any discharge into the sea of noxious liquid substances, also constitutes a violation of U.S. law. 33 C.F.R. § 151.04; see also, MARPOL 73/78, Annex II, regulation 5. The person in charge of a vessel involved in any unpermitted discharge must report the particulars of the incident without delay to either the nearest Coast Guard Captain of the Port or to the National Response Center. 33 C.F.R. § 151.15.

Specific Coast Guard regulations generally govern the equipment and operation of all ships, with

respect to oil pollution prevention. 33 C.F.R. Part 155 (1989). The rules concern discharges, discharge containment, and the processing of oily bilge slops or oily fuel oil tank ballast. Id. A recent Coast Guard final rule expands the coverage of 33 C.F.R. Part 155 to encompass pollution prevention regulations for hazardous materials, as well as oil. 55 Fed. Reg. 36248-56 (September 4, 1990).

Furthermore, detailed and specific rules for the protection of the marine environment apply to tank vessels carrying oil in bulk. 33 C.F.R. Part 157 (1989). Part 157 concerns slop tanks in tank vessels, oily residue tanks, and Crude Oil Washing operations on tankers, among other topics. Id.

Additional Coast Guard regulations, codified at 33 C.F.R. Part 158, concern terminal and reception facilities for oil, noxious liquid substances, and garbage. To continue to receive ships, a terminal must hold one or more Certificates of Adequacy to show compliance with Subpart B of Part 158, if it receives ocean going tankers carrying residues and containing mixtures of oil, or Subpart C of Part 158 if it receives

ocean going ships carrying noxious liquid substances.[5/] 33 C.F.R. § 158.135. Subparts B and C of Part 158 establish criteria for reception facilities of residues and mixtures containing oil, and of noxious liquid substances, respectively.

Any person may report to the Coast Guard that reception facilities required by the regulations or by MARPOL 73/78 are inadequate. Id. at § 158.167. If deficiencies of the terminal or reception facility recur or significantly affect the facility's adequacy, or if there is a substantial threat of discharge of oil or noxious liquid substances into or upon the navigable waters of the United States or adjoining shorelines, the Coast Guard may suspend a terminal's Certificate of Adequacy after proper notice and procedure. Id. at §§ 158.170-158.190.

The Certificates of Adequacy required under the Coast Guard regulations may require notification and corrective action upon knowledge of prohibited discharges. As with the provisions summarized above, if

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5/ Substances deemed "noxious liquid substances" are listed at various points in the Code of Federal Regulations. See 33 C.F.R. § 158.120 (1989).

Alyeska gained any knowledge of such discharges in the course of its investigation of Mr. Hamel, it may have been required to act upon such knowledge. As noted above, we have not seen Alyeska's actual certificates and therefore cannot determine whether they impose any such obligation that may not have been complied with regarding information acquired in the course of the investigation.

9. Federal Laws Generally Governing the Manning and Operation of Vessels Carrying Liquid Bulk Dangerous Cargoes (46 U.S.C. § 3701 et seq., § 9102).

Federal law authorizes Coast Guard regulations concerning the design, construction, alteration, repair, maintenance, operation, equipping, personnel qualification, and manning of tankers. 46 U.S.C. § 3703 (1988). The statutes also require annual Coast Guard inspection and examination of such vessels. Title 46 further provides that vessels may not discharge tank washings containing oil or hazardous materials in violation of U.S. laws or treaties to which the U.S. is a party. Id. at § 3716. A civil penalty for each violation of these sections may amount to $25,000. Willful and knowing violations may result in criminal penalties of up to

$50,000 and/or imprisonment of not more than five years. Id. at § 3718.

B. Alaska State Laws Implicated

PAUL, HASTINGS, JANOFSKY & WALKER

MEMORANDUM

TO: Joel McIntyre - LA
Dorothy Kirkley - ATL

FROM: R. Bruce Dickson - WDC
Randall M. Stone - WDC

DATE: December 12, 1990

FILE NO: 18970.50899

COPIES TO:

SUBJECT: Trans-Alaska Pipeline System:
Addendum to December 7, 1990 Memorandum

In our prior memorandum to you concerning the legal issues arising from pollution-related allegations of Mr. Charles Hamel, dated December 7, 1990, we made brief reference to reporting and investigation obligations which would arise if an agency relationship existed between Alyeska Pipeline Service Company and the individual companies which own fractional shares of Alyeska and which occupy seats on the Owners' Committee. This memorandum discusses the circumstances under which information that Alyeska knew or should have known may be imputed to the owners.

We assume that Alyeska, and Alyeska employees, could be deemed agents of the various owner companies for the purposes of the laws discussed in the prior memorandum. After a brief review of general authorities on the subject, that assumption seems valid. With respect to a parent and subsidiary corporation, it is generally said

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EXHIBIT 110

that "[a] corporation does not become an agent of another corporation merely because a majority of its voting shares is held by the other." Restatement (Second) of Agency § 14M (1958). Nonetheless, where a subsidiary corporation acts as "a direct instrumentality of and in direct cooperation with its parent corporation" the subsidiary will be classified as an agent of the parent corporation, and knowledge of the subsidiary will be imputed to the parent. Acme Precision Products, Inc. v. American Alloys Corporation, 422 F.2d 1395, 1398 (8th Cir. 1970). Because of the special nexus between Alyeska and its owner companies, Alyeska and its employees may be treated as agents of the owner companies. The legal implication of that agency relationship, including the possibility that owner companies would be charged with any knowledge available to Alyeska, is analyzed in more detail below.

In considering the Clean Water Act's requirement that any person in charge of a vessel or onshore facility make a report to the proper officials "as soon as he has knowledge of any discharge of oil" the courts have imputed the knowledge of a corporation's agents,

including even its low-level employees, to the corporation itself. See, e.g., Apex Oil Company v. United States, 530 F.2d 1291 (8th Cir. 1976). Apex Oil involved that company's appeal of convictions on two counts of failing to provide notice of an oil spill to an appropriate agency of the United States government. Both convictions involved oil spills which were witnessed by employees at Apex Oil's off-loading facility, but which remained unreported to the Coast Guard or the Environmental Protection Agency. Although the court found that "[n]o officer or director of Apex Oil had knowledge of the spill prior to its discovery by the Coast Guard" the court upheld the company's conviction for failure to report the incidents after ruling that "the knowledge of the employees is the knowledge of the corporation," and thus imputing the employees' knowledge to the company. Id. at 1295.

The Eighth Circuit's approach in Apex Oil coincides with the general rule of agency law that an agent's knowledge is imputed to the principal. "Since a corporation can act only through its officers, agents and employees, it is necessarily chargeable with the

composite knowledge of its officers and agents acting within the scope of their authority." Sawyer v. Mid-Continent Petroleum Corporation, 236 F.2d 518, 520 (10th Cir. 1956) (citations omitted). See also In re Agent Orange Product Liability Litigation, 597 F. Supp. 740, 796 (E.D.N.Y. 1984) ("Under principals of agency law, knowledge in the possession of an agent . . . who has a duty to transmit or receive the information is knowledge in the possession of the principal"); Restatement (Second) of Agency §§ 272, 275 (1958). "The fact that the knowledge acquired by the agent was not actually communicated to the principal . . . does not prevent operation of the rule . . . . This rule of law is not a rebuttable presumption. It is not a presumption at all." 2 Witkin, Summary of California Law, § 99 (9th ed. 1987) (citing Columbia Pictures Corp. v. DeToth, 87 Cal. App. 2d 620, 197 P.2d 580 (1948)).

Information about any violations of law by either Alyeska or owner companies, if known to Alyeska employees or members of the Owners' Committee, may be imputed to both Alyeska and owner companies, thus invoking reporting obligations.

Courts justify imputing an agent's knowledge to the principal because an agent is duty-bound to inform its principal of relevant knowledge that the agent possesses. "[I]t is the duty of an agent to disclose to his principal all notice or knowledge which he may possess and which is necessary for the principal's protection or guidance . . . [where] . . . the knowledge is possessed by an agent within the scope of whose authority the subject-matter lies." Trinity Universal Insurance Company v. Rocky Mountain Wholesale Company, 353 F.2d 574, 577 (10th Cir. 1965) (quoting Mechem, 7 Mich. L. Rev. 113). See also Restatement (Second) of Agency § 381; 3 Am. Jur. 2d Agency § 211 (1986). Therefore, an agency relationship between Alyeska and the owner companies might impose upon Alyeska a duty to inform the owner companies of any violations of law by the owner companies of which Alyeska becomes aware, and the owner companies might be deemed to have the same knowledge as Alyeska even if Alyeska has not yet informed the owners.

Although the environmental laws outlined in the prior memorandum do not explicitly require a detailed

introspection regarding any and all allegations of illegality made by outsiders, some amount of internal investigation may be advisable, and necessary. In considering whether the relevant individuals possessed "knowledge" of an environmental incident sufficient to invoke affirmative reporting requirements imposed by law, the limited case law on the subject suggests that it is proper to infer such knowledge from surrounding circumstances.

In United States v. Greer, 850 F.2d 1447 (11th Cir. 1988), the court ruled that a jury could properly convict Mr. Greer of a failure to notify the government "as soon as he [had] knowledge of [the] release . . . of [a] hazardous substance," even in the absence of direct evidence that Greer had specific knowledge of the release, or that he explicitly ordered his employee to dump the chemicals in question. While the facts of Greer are easily distinguished (Greer involved a history of ignoring employees' violations), the case can be interpreted to suggest that a reporting obligation arises not only when the person involved has actual knowledge of the spill, but also when the person involved has reason to

know of a spill, in light of particular facts and circumstances.

Agency law tends to support this interpretation of Greer. After generally stating that "the liability of a principal is affected by the knowledge of an agent concerning a matter as to which he acts within his power to bind the principal or upon which it is his duty to give the principal information," the Restatement (Second) of Agency clarifies that rule with the following comment:

> In situations in which knowledge of a particular fact is relevant to the legal liability of participants in an event, their liability is often affected by their having knowledge of other facts from which persons of ordinary intelligence and prudence would infer the existence of the fact in question or which would be lead to make such inquiries as would give them knowledge of it.

Restatement (Second) of Agency § 272, comment b (1958) (emphasis supplied). Therefore, both the principles of agency law, and the lesson of Greer suggest that a principal may not avoid liability for failure to report a violation by consciously avoiding specific knowledge of a violation, and that circumstances suggesting the

occurrence of violations of law may give rise to an obligation to make reasonable inquiries. Consequently, Alyeska may have a duty to conduct some investigation of both the allegations that pertain specifically to Alyeska, and those that relate to the owner companies.

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# U.S. House of Representatives
## Committee on Interior and Insular Affairs
Washington, DC 20515-6201

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GENERAL COUNSEL
DANIEL VAL KISH
REPUBLICAN STAFF DIRECTOR

December 12, 1991

Robert E. Jordan, III, Esq.
Steptoe & Johnson
1330 Connecticut Avenue, N.W.
Washington, D.C. 20036

Dear Bob:

By letter of November 20, 1991 to Chairman Miller, you requested that the Committee include in its record of the November 4-6, 1991 hearing, a statement by Alyeska and its Owner Companies regarding the legality of covert surveillance activities undertaken by Wackenhut investigators. In that statement you made factual statements regarding the activities of the Wackenhut investigators and cited to federal law as well as the state laws of Alaska, Virginia and Florida.

In order that the Chairman may evaluate your request, please provide us with the evidence or citations to the evidence, whether documentary or sworn testimony, which supports the facts set forth in Alyeska's and the Owner Companies' statement. In addition, as Alyeska and its Owner Companies have now put the laws of Alaska, Virginia and Florida in issue as supporting the positions they took at the hearing, please also provide us with the redacted portions of the Paul, Hastings report to the Owners' Committee dated January 22, 1990 which discuss those states' laws with respect to the investigative activities described in the statement.

Please provide us with the above-requested information on or before December 18, 1991. As always, feel free to contact me should you wish to discuss this matter.

Sincerely,

Linda J. Chase
Chief Counsel - Investigations

LJC:mm

EXHIBIT 111

# STEPTOE & JOHNSON

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WASHINGTON, D.C. 20036-1795

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ROBERT E. JORDAN, III
(202) 429-6290


PRIVILEGED AND CONFIDENTIAL
ATTORNEY WORK PRODUCT

December 31, 1991

Linda Chase, Esquire
House Annex No. 2
Henry Ford Building - Room 483
Third and D Streets, S.W.
Washington, D. C. 20515

Dear Linda:

I am responding to your letter of December 12, 1991, which I did not receive until December 16. The holidays then intervened and caused further delay, for which I apologize.

The first paragraph of your letter referred to my letter of November 20, 1991 to Chairman Miller, submitted on behalf of Alyeska and the Owner Companies, in which I set forth our legal analysis of some of the issues which had been raised by prehearing statements of the Committee, questioning by Committee members at the November 4-6 hearings, testimony of witnesses at the hearings or by affidavits or prepared testimony submitted in connection with those hearings.

You asked that I furnish you with "the evidence or citations to the evidence, whether documentary or sworn testimony, which supports the facts set forth in Alyeska's and the Owner Companies' statement." The evidence upon which we rely is that which has been furnished to the Committee by Alyeska and Wackenhut to date. This evidence is found primarily, of course, in the detailed investigative reports prepared by Wackenhut.

In addition to what is in the material submitted, we have also relied on repeated oral assurances from Wackenhut and its employees that the activities actually conducted during the investigation are reflected in the written reports contained in

the investigative file -- that is, that there were no "surprises" in store for Alyeska concerning the scope of and method of conducting the investigation.

Our analysis of the legality of taking abandoned trash is based upon the investigative reports and a description, furnished orally by Wackenhut personnel, of the nature of public access to the alley adjacent to 725 Christensen Drive in Anchorage. We have had similar descriptions of the location and configuration of the Hamel property in Alexandria.

Most of the content of the submission to which you refer is simply the application of statutory and case law material to the facts as we understand them. We do not have some significant body of information beyond the Wackenhut investigative reports, except for the kinds of supplemental oral information referred to above.

You also asked that we provide the Committee with the redacted portions of the Paul Hastings report of January 22, 1990. I consider this request to be wholly improper under the circumstances. You will recall that we had a number of rounds of negotiation over the Committee's insistence that privileged material, including the Paul Hastings report, be provided to the Committee. Those negotiations led to my letter to you of October 11, 1991 and your response of the same date (copies enclosed). Your letter, which you assured me was issued with the approval of Chairman Miller, says "we agree to resolve outstanding claims of attorney-client privilege and work product privilege according to the terms set forth in [my letter of October 11]." Alyeska expects the Committee to honor the agreement which was reached on October 11.

Your letter may be suggesting that the agreement no longer applies because Alyeska and the Owners have "now put the laws of Alaska, Virginia and Florida in issue. . . ." With all respect, this reminds me of the story of the young boy who came home from school bruised, bloodied and disheveled, obviously having been in a fight of some kind. When his mother asked him how it started, he replied "It all started when he hit me back." Alyeska and the Owners did not put the laws of Alaska, Virginia and Florida in issue. That was done by prehearing statements released by Chairman Miller, by witnesses opposed to Alyeska in prepared statements (and perhaps in testimony in executive session) and by a number of members of the Committee in their questioning of witnesses at the hearings. Surely you are not suggesting that the alternatives available to Alyeska were to sit quietly by and take a ration of unwarranted and often ill-informed abuse on

PRIVILEGED AND CONFIDENTIAL
ATTORNEY WORK PRODUCT

these points, or to be treated as having lost the protections of our agreement of October 11 if some response was made.

Even had there been no agreement, there would certainly be issues concerning the scope of the Committee's jurisdiction on the kinds of state law matters which are discussed in the redacted portion of the Paul Hastings memorandum. While such issues may be of interest to individual members of the Committee, that does not place the subject matter within the Committee's jurisdiction. As I am sure you are aware, various state law enforcement authorities have investigations under way relating to state law issues which have been raised in the hearings or elsewhere with respect to the conduct of the Wackenhut investigation, and it seems that these matters should be left to those having jurisdiction over them.

For the foregoing reasons, I do not believe it is appropriate for the Committee to seek or for me to furnish the unredacted portion of the Paul Hastings memorandum. I might add that the treatment of the Paul Hastings memo at the hearing -- the deliberate and obviously preplanned release of the entire redacted memo to the press without notice or warning to Alyeska or the Owners after a brief mention of a single portion of the memo during the questioning -- is an additional reason for insisting on adherence to our prior agreement. The release of the memorandum in that fashion showed a total disregard for the protection of advice furnished in confidence by lawyers to their clients, and justifiably outraged us, our clients and their inside counsel.

Please give me a call if you would like to discuss these matters.

Happy New Year.

Sincerely yours,

Robert B. Jordan, III

cc: The Honorable George Miller
The Honorable Don Young
David Dye, Esq.

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ROBERT E. JORDAN, III
(202) 429-6290

October 11, 1991

The Honorable George Miller
Chairman, Committee on Interior
and Insular Affairs
U. S. House of Representatives
Washington, D. C. 20515-6201

Dear Chairman Miller:

The purpose of this letter is to suggest a resolution to outstanding issues concerning information as to which a claim of attorney-client privilege or work product doctrine protection has been made in connection with Alyeska's response to your letter to James Hermiller of August 7, 1991 and your Committee's subsequent subpoena of September 26, 1991 directed to Alyeska. For ease of reference, I will refer to all of this information throughout this letter as "privileged information."

I have been advised by the Committee Staff -- Messrs. Meltzer and Petrich and Ms. Chase -- that because the United States Congress has not adopted the judicially-developed doctrines of attorney-client privilege and work product privilege for application in legislative proceedings, in the absence of some satisfactory resolution of the outstanding privileged information issues, available procedures to induce compliance will be invoked by the Committee.

Alyeska has sought, throughout the pending investigation, to put forth all relevant information requested by the Committee. At the same time, Alyeska is firmly committed to the principle, widely supported throughout our legal system, that all persons should be able to consult with counsel without fear that those consultations will be open to adverse parties. This principle is in many instances more important than the pursuit of specific information in a particular context.

Faced with the Committee's continued insistence on access to material Alyeska considers to be privileged information and the importance of protecting such information, Alyeska has sought to find a middle ground, and, under the compulsion of the Committee's continuing demands, offers the following resolution of the privileged information issues. This proposal has been developed in conversations with the staff members referred to above.

1. Alyeska will make available for inspection by the Committee or designated members of the staff privileged information as described below. That inspection will be made in the Committee's office in the Longworth Building, Room 1324. During such inspection the information will remain under Alyeska's control.

2. Following such inspection, the Committee may, pursuant to a written request from the Chairman, seek the production of such portions of the privileged information as it finds to be necessary in the discharge of its legislative or oversight responsibilities. Alyeska will make that information available promptly in response to such a request.

3. The receipt of privileged information will be considered as if made in Executive Session of the Committee pursuant to the rules governing such sessions.

4. The following material, which Alyeska has claimed to be privileged information, will be produced for the inspection and related procedures described in 1.-3. above.

   a. The documentary information listed on Alyeska's privileged document index as submitted in revised form on October 7, 1991, except the following:

      (i) Material generally described as Exxon Valdez Related Materials consisting of documentary materials (F2R400180-400195; 401002-401504; 413285-413290; 414052-414055; 415796-415801; audio and video tape materials (F2R411216 and

F2R400343); and computer diskettes (F2R414001 (disk 1): file 427.kk; F2414004 (disk4): file 427.v); and duplicates of these materials as listed in the privilege document index. It is our understanding that the Committee is not seeking these materials.

(ii) The state law portions of the Richey, Munroe, Fine & Goodman firm's memorandum of January 17, 1991 and drafts thereof. Alyeska may redact the text discussing state law issues, but will provide all headings under which such discussions take place and, if the headings are not indicative of the subjects discussed, will provide an indication of the subjects. Federal law issues, including the law governing the preservation of information, will not be redacted.

b. Documentary information developed by Paul, Hastings, Janofsky & Walker, as follows:

(i) Interview reports and handwritten notes from which such reports were prepared.

(ii) The Paul, Hastings memorandum to the TAPS Owner Companies of January 22, 1991, except that Alyeska may redact the text of the discussion of state law issues. Alyeska will provide all headings under which such discussions take place and, if the headings are not indicative of the subjects discussed, will provide an indication of the subjects.

(iii) The legal memoranda prepared by Paul, Hastings, except those memoranda or portions of memoranda which discuss state law issues. Alyeska may redact those memoranda or portions of memoranda which discuss state law issues, but will provide the date, author, recipient and subject or title of such state law portions.

It is my understanding that the Committee is not seeking copies of cases, statutes, or similar publicly-available legal materials in the files of Paul, Hastings firm, the Richey firm, or the Baker & Hostetler firm.

It is also specifically understood that access to all or any of the information made available for inspection or produced will be limited to Committee members and those Committee staff members designated to assist in the pending investigation. This limitation obviously does not apply to such information as the Committee properly discloses in connection with its hearings or any ensuing report. Neither Mr. Charles Hamel nor any of his counsel, representatives or agents fall within the categories of persons authorized access.

If the resolution set forth above is acceptable to the Committee, I would appreciate a written communication from you or from your designated counsel so indicating. Upon receipt of such a communication, we will promptly initiate the inspection process.

Sincerely yours,

Robert E. Jordan, III
Counsel for Alyeska Pipeline
Service Company

cc: Honorable Don Young
Richard Meltzer, Esq.
Linda Chase, Esq.
David Dye, Esq.
Jeffrey P. Petrich, Esq.

U.S. House of Representatives
Committee on
Interior and Insular Affairs
Washington, DC 20515-6201

October 11, 1991

Robert E. Jordan, III, Esq.
Steptoe & Johnson
1330 Connecticut Avenue, N.W.
Washington, D.C. 20038-1795

Dear Mr. Jordan:

Chairman Miller has asked me to reply to your letter to him dated October 11, 1991.

With respect to documents within the scope of the Committee's Subpena Duces Tecum dated September 26, 1991, we agree to resolve outstanding claims of attorney-client privilege and work-product privilege according to the terms set forth in the above-referenced letter. We also hereby demand that Alyeska produce to the Committee all documents set forth in paragraph number 4 of the above-referenced letter as limited by subparagraphs 4.a.(i), (ii) and 4.b.(ii), (iii).

We understand that the majority of the documents will be produced late today at the Committee's office in 1324 Longworth. The remaining documents will be produced early next week.

Sincerely,

Linda J. Chase
Chief Counsel - Investigations

cc: Honorable Don Young
Richard Meltzer, Esq.
David Dye, Esq.
Jeffrey Petrich, Esq.

GEORGE MILLER, CALIFORNIA, CHAIRMAN
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U.S. House of Representatives
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DANIEL VAL KISH
REPUBLICAN STAFF DIRECTOR

January 21, 1992

**BY TELECOPIER AND U.S. MAIL**

Mr. William C. Rusnack, President
ARCO Pipeline Company
ARCO Center
300 Oceangate
Long Beach, California 90802-4341

Dear Mr. Rusnack:

During the hearings before this Committee on November 4-6, 1991, you and other TAPS Owners Committee representatives testified that you had not been informed of the scope of Alyeska's covert surveillance of Charles Hamel until September 1990, at which time you called an immediate halt to such activities. You also testified that the covert investigation undertaken by Alyeska was, in your opinion, not an appropriate means of accomplishing the otherwise proper goal of finding the source of proprietary information leaks. You specifically stated that such an investigative approach was "inconsistent with the standards I consider to be appropriate" and that "I do not want to put myself in the position. . . of trying to defend anything that was done in this investigation." The Committee appreciated your comments and accepted them as sincere and truthful.

I was somewhat surprised when, after the hearings, attorneys representing the TAPS Owners Committee submitted for the public record a legal brief defending many of the questionable investigative techniques employed by the Wackenhut investigators. The brief alleges certain facts, discusses the laws of each state in which certain acts allegedly occurred and concludes that no crimes were committed by the Wackenhut investigators under any of those laws.

It is not clear to me why the owners would now undertake a defense of the very investigative approach you stated at the hearing was inconsistent with your standards and which you did not want to defend. This is especially confounding because any post-hearing defense of those activities could appropriately have

been undertaken by the attorneys representing Wackenhut, Mr. Black or Mr. Lund, who chose not to do so.

Moreover, regardless of the reasons for the owners' defense of Wackenhut's conduct, the submission of a legal opinion for the public record in November 1991, calls into question the legal opinion on the same subject rendered to the owners by the Paul, Hastings law firm in January 1991, before the covert operation became the subject of a Congressional investigation.

By letter of December 12, 1991, copy enclosed, we asked the owners' counsel, Mr. Robert Jordan of Steptoe & Johnson, to provide us with the portions of the Paul, Hastings opinion which discuss the alleged state law violations. In his December 31, 1991 response, also enclosed, Mr. Jordan refused to do so, citing my earlier agreement to accept a copy of the Paul, Hastings opinion letter with the discussions of state law deleted. While I acknowledge our earlier agreement, the circumstances under which it was entered have changed.

We are not concerned directly with alleged violations of state law. However, I believe this Committee is entitled to know whether Alyeska and its owners were informed by Paul, Hastings that violations of state law had occurred and, if so, why Alyeska and its owners obtained and submitted for the public record a second contrary opinion from Steptoe & Johnson.

In light of what appears to me to be an inconsistency between your statements at the hearing and your post-hearing defense of the Wackenhut investigation, please supplement your statement for the record by answering the following questions:

1. Why have you, as Chairman of the TAPS Owners Committee, decided to defend the specific investigative methods used by the Wackenhut investigators?

2. Do you represent that the facts stated in your legal defense memorandum are true? If so, what is the basis for your representation regarding those facts, including, for example, the statement that Mr. Lund obtained telephone toll records from "an independent contractor who investigated fraud for local telephone companies." [See, Tab B of the November 20, 1991 legal defense memorandum, copy enclosed for your convenience.]

3. Did the legal opinion rendered by the Paul, Hastings law firm find any different facts or reach any different conclusions about the potential violation of state laws? If so, why did you seek a second opinion at this time? In any event, please provide the Committee with an unredacted copy of the Paul, Hastings opinion letter.

Furthermore, Mr. Jordan's expression of outrage regarding what he terms in his December 31, 1991 letter, the "deliberate and obviously preplanned release" without warning of the redacted version of the Paul, Hastings memo is perplexing. When that document was provided to us, Mr. Jordan insisted that it be received "as if in executive session." My staff informs me that Mr. Jordan fully understood that phrase to mean that the document would be held as confidential unless and until the Committee voted to release the document. Mr. Jordan also fully understood that we intended to seek such a vote of the Committee prior to the hearings.

In fact, the Committee voted in October 1991 to permit the use of all the "executive session" documents at the public hearings. It is my understanding that representatives of Alyeska and some of its owners were in attendance at the Committee meeting on that day and discussed the vote with members of the Committee staff. In addition, pursuant to an agreement made publicly between Mr. Young and me, it was determined that at the hearing, whenever a member of the Committee used any portion of a document to question a witness, the entire document would be entered into the record. It was my intention to prevent entry into the public record of only selected and arguably self-serving portions of documents. Of course, once a document has been entered into the public record, any member of the public, including members of the press, may review that document.

It is my understanding that Alyeska, its owners and Wackenhut all agree with Mr. Young and me that all relevant documents be made public at the appropriate time. I can only assume you also agree that all relevant portions of those documents should be made public as well, except of course, those portions which contain personal telephone, medical, credit or other such information which if disclosed, would only compound the investigation's invasion of personal privacy.

I look forward to your prompt reply.

Very truly yours,

George Miller
Chairman

Enclosures
cc: Honorable Don Young
Robert E. Jordan, III, Esq.

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300 Oceangate
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Telephone 213 590 4401

William C. Rusnack
President

February 6, 1992

The Honorable George Miller
Chairman, Committee on Interior and Insular Affairs
U.S. House of Representatives
1324 Longworth House Office Building
Washington, D.C. 20515-6201

Dear Chairman Miller:

I am responding to your letter of January 21, 1992, addressed to me in my capacity as Chairman of the Owners Committee of the Trans Alaska Pipeline System.

You expressed some surprise that, in the post-hearing submissions, our counsel was "defending" the "questionable investigative techniques" used by investigators engaged by The Wackenhut Corporation, and, in that context, asked that I supplement my statement for the record by responding to three questions:

1. *Why have you, as Chairman of the TAPS Owners Committee, decided to defend the specific investigative methods used by the Wackenhut investigators?*

Response: I believe the question, in the full context of your letter, confuses the question of legality of investigative methods with my personal value judgments and the TAPS Owners Committee's policy judgments concerning the investigation as a whole. My testimony spoke to personal value judgments and policy judgments, while our post-hearing submission addressed only the legality of the investigative methods used. Clearly, these two positions are not inconsistent.

2. *Do you represent that the facts stated in your legal defense memorandum are true? If so, what is the basis for your representation regarding those facts, including, for example, the statement that Mr. Lund obtained telephone toll call records from "an independent contractor who investigated fraud for local telephone companies." [See, Tab B of the November 20, 1991 legal defense memorandum, copy enclosed for your convenience.]*

Response: The facts stated in our post-hearing submissions reflect Alyeska's understanding of the events that occurred. Since no Alyeska or Owner Company employee was directly involved in conducting the investigation, however, there is always the possibility that the facts reported to Alyeska during the course of the investigation, or thereafter, were not accurate. Our post-hearing submission, therefore, reflects the views of Alyeska and the TAPS Owners Committee as to events that transpired during the investigation based on our counsel's extensive review of the facts relating to the conduct of the investigation. As to the specific question concerning Mr. Lund's sources for toll call records, we are advised that facts stated in our post-hearing submission are based upon information furnished to Alyeska and its counsel by Wackenhut, and specifically upon the facts set forth by Mr. Lund in his memorandum of September 4, 1991 to Wayne Black.

3. *Did the legal opinion rendered by the Paul, Hastings law firm find any different facts or reach any different conclusions about the potential violation of state laws? If so, why did you seek a second opinion at this time? In any event, please provide the Committee with an unredacted copy of the Paul, Hastings opinion letter.*

Response: I do not believe it is appropriate for me to comment upon those portions of the Paul, Hastings legal opinion that by agreement have not been furnished or upon the facts on which the opinion was based. As I understand it, the Committee has already been furnished the entire factual portion of the Paul, Hastings memorandum. Through the hearing process and through investigations conducted outside the hearing process, I feel comfortable that the Committee has had access to all of the significant facts relating to the Wackenhut investigation. As to potential violations of state law, I had always understood that this was not a concern to the Committee, and I appreciated your acknowledgment that this was the Committee's view as well.

Moreover, Alyeska and the TAPS Owners Committee cannot agree with the characterization that "Alyeska and its owners obtained and submitted for the public record a second contrary opinion from Steptoe & Johnson." The November, 1991 submissions did not constitute an opinion letter to Alyeska or the TAPS Owners Committee. They were instead submissions to

the Committee that included advice as to additional facts that had been disclosed or alleged after the Paul, Hastings memorandum had been completed. They were prepared for the Committee because Committee members had raised prior to or during the hearing a number of legal issues and expressed various opinions concerning them. We recognized that, unless some such submission were made, the Committee's record would reflect what we believed in many cases to be serious misunderstandings of the legal principles applicable to these issues. We believe that matters relating to the legality of specific investigative methods or applications of those methods are most appropriately within the purview of the pertinent law enforcement authorities.

As to your request for an unredacted copy of the Paul, Hastings opinion letter, the Committee had previously agreed to accept the portions of the Paul, Hastings opinion letter that have been furnished and not to seek the additional "redacted" portions of that opinion letter. Your letter acknowledges that agreement. We respectfully disagree with your statement that "the circumstances under which it was entered have changed."

* * *

With respect to your understanding concerning the public release of documents, I am not aware of the agreements made between you and either Congressman Young or Wackenhut concerning the public release of documents. Alyeska and its owner companies are not parties to any agreements on the terms you refer to, and in no event do they agree that the release of privileged communications from lawyers to their clients is appropriate.

Regarding the other matters dealt with on page 3 of your letter, I have asked Mr. Jordan to elaborate on the comments in his December 31, 1991 letter to Ms. Chase. His elaboration accompanies this letter as an enclosure.

I hope that these responses will assist you in understanding our position on the points you have raised. May I add in a broader sense that I look

forward, in the aftermath of the hearing process, to a more positive and constructive relationship between Alyeska and your Committee than has existed in the past. I hope you will join me in pursuing this objective.

Sincerely yours,

William C. Rusnack

Enclosure

cc: Honorable Don Young
Robert E. Jordan, III

STEPTOE & JOHNSON
ATTORNEYS AT LAW

PHOENIX, ARIZONA
CITIBANK TOWER

TELEPHONE: (602) 266-6810
FACSIMILE: (602) 274-1970

1330 CONNECTICUT AVENUE, N.W.
WASHINGTON, D.C. 20036-1795

(202) 429-3000
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STEPTOE & JOHNSON INTERNATIONAL
AFFILIATE IN MOSCOW, RUSSIA

TELEPHONE: (011-7-095) 250-5775

ROBERT E. JORDAN, III
(202) 429-6290

February 6, 1992

The Honorable George Miller
Chairman, Committee on Interior
and Insular Affairs
U. S. House of Representatives
Washington, D. C. 20515-6201

Dear Chairman Miller:

Mr. Rusnack has asked that I respond to certain parts of your letter to him of January 21, 1992 for the purpose of elaborating on the comments in my December 31, 1991 letter to Ms. Chase concerning the release of the redacted Paul, Hastings memorandum.

Let me say that we understood at the time of the negotiations that we were undertaking some risk because we had no guarantee as to what the Committee would do with respect to the documents furnished subject to the "Executive privilege" agreement. We recognized that the Committee, under its rules and the rules of the House, retained the ultimate power to decide how the documents furnished pursuant to the agreement would be handled.

However, we believed, wrongly it turned out, that the Committee would recognize the unique nature of the attorney-client material and the fact that it was produced under compulsion. We had hoped and expected that the Committee and its staff would use the attorney-client material to satisfy itself that there were no facts set forth in that material that were in addition to or at odds with the facts otherwise available to the Committee. In that fashion the Committee could have satisfied its desire to ensure the thoroughness of its investigation.

It was, it seemed to us, wholly unnecessary to the Committee's basic need to conduct a thorough investigation for it to publicly disseminate privileged material prepared by lawyers for their clients. We thought it was particularly excessive to

disclose the entire expurgated Paul, Hastings memorandum when a reference had been made in the hearing only to a small portion of it. In short, we thought that the Committee would not treat the privileged material that was, after all, prepared after the fact and not part of the Wackenhut investigation, as something to be routinely released in the same way that other materials from the investigation files were released.

I might add that the sentiments expressed in my letter to Ms. Chase of December 31, 1991 were not mine alone. They reflected the sense of everyone, management and lawyers alike, associated with Alyeska and the owner companies with whom I spoke after the Paul, Hastings memo was handed out at the hearing.

I would like to add one purely personal comment, which I cannot attribute to any of my clients. I feel that the handling of the privilege issue by the Committee raises serious questions about the fairness of existing House of Representatives procedures for dealing with such material. One can recognize that congressional committees are not necessarily bound by all of the doctrines with respect to protecting privileged material that have developed in the judicial system, and at the same time hold the view that there should be some process reasonably available to permit a subpoenaed party to have privilege issues addressed by some entity other than a committee engaged in an essentially adversary process with that party, and other than in a setting involving pursuit of a contempt charge by the interested committee.

Having said this, let me add that I have great respect for the importance of the investigative roles discharged by many committees of Congress, including yours, and do not wish my comments in any way to be interpreted as not reflecting such respect.

Sincerely yours,

Robert E. Jordan III

cc: Honorable Don Young

Alyeska pipeline SERVICE COMPANY

1835 SOUTH BRAGAW STREET ANCHORAGE ALASKA 99512 TELEPHONE (907) 278-1611 TELEX 25[illegible]

March 14, 1991

Mr. Wayne Black
Wackenhut Corporation
Special Investigations Division
1500 San Remo Avenue
Coral Gables, Florida 33146

Dear Mr. Black:

In connection with the investigation recently conducted by Wackenhut into the possible theft from Alyeska of proprietary and other confidential documents and information, you assembled a collection of documents, many of which are themselves confidential and attorney client privileged. Because of their sensitivity, we have been instructed to retain control of these materials. Therefore, we request that you forward all materials relating to the investigation to the following law firm:

Joel F. McIntyre
Paul, Hastings, Janofsky & Walker
Twenty-Third Floor
555 South Flower
Los Angeles, California 90071

Please make a complete inventory of materials prepared or acquired during the course of the investigation and provide a copy of that inventory to me. In addition, send a copy of the inventory with the materials forwarded to the Paul, Hastings firm. Please transmit the materials and the inventory in a manner that will ensure delivery and will acknowledge receipt of same by Paul, Hastings.

Thank you for your assistance and courtesies in this matter. Please let me know if you have any questions or concerns regarding these instructions.

Very truly yours,

ALYESKA PIPELINE SERVICE COMPANY

J. P. Wellington
Manager, Security & Aviation

427

F2R401855

EXHIBIT 114

WACKENHUT
SPECIAL INVESTIGATIONS DIVISION

THE WACKENHUT CORPORATION
1500 SAN REMO AVENUE
CORAL GABLES, FLORIDA 33146-3009
(305) 662-7363
FAX (305) 662-7382

February 18, 1991

Bill Richey, Esq.
Richey, Munroe, Fine and Goodman
200 South Biscayne Boulevard
3100 Southeast Financial Center
Miami, Florida 33131

RE: ALYESKA

Dear Bill:

I have been contacted by Pat Wellington who requests to meet with us in Miami on Wednesday, March 13, 1991, from approximately 3:00 p.m. through dinner. The meeting will be a final review of the investigation.

Additionally, I have been instructed by Mr. Wellington that the Owners Committee is exploring the transport of any and all evidence in our possession to the law firm in California. He requested an inventory of each item in our possession toward that end.

I plan to explain in writing our position with regard to the highly unusual nature of the anticipated request and the possible jeopardy outlined and detailed in your comprehensive letter. Please let me know if you and Jonathan are able to attend.

Sincerely,

Wayne B. Black, Director
Special Investigations Division

WBB:mie
427.25
cc: A.B. Bernstein

F2R502922

*Professionalism With Integrity℠*

EXHIBIT 115

GEORGE MILLER, CALIFORNIA, CHAIRMAN
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NEIL ABERCROMBIE, HAWAII
CALVIN M. DOOLEY, CALIFORNIA

# U.S. House of Representatives
## Committee on Interior and Insular Affairs
Washington, DC 20515-6201

DON YOUNG, ALASKA
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RICHARD H. BAKER, LOUISIANA

DANIEL P. BEARD
STAFF DIRECTOR
RICHARD MELTZER
GENERAL COUNSEL
DANIEL VAL KISH
REPUBLICAN STAFF DIRECTOR

January 21, 1992

**BY TELECOPIER AND U.S. MAIL**

Leonard S. Janofsky, Esq.
Paul, Hastings, Janofsky & Walker
1299 Ocean Avenue, 5th floor
Santa Monica, California 90401

Dear Mr. Janofsky:

It is my understanding that you and several members of your firm were retained by the TAPS Owners Committee (the "owners") in October 1990 to review the work done and the information collected by The Wackenhut Corporation ("Wackenhut") during a covert investigation of Mr. Charles Hamel and other environmental critics which it conducted on behalf of Alyeska Pipeline Service Company ("Alyeska") from March 1990 through September 1990. I understand that the purpose of your work was to determine whether the investigation had been conducted legally and whether it exposed the owners to any civil or criminal liabilty.

Records obtained by the Committee indicate that in November and December 1990, your firm conducted numerous interviews of Wackenhut and Alyeska employees as well as the owners and their attorneys. In January 1991, your firm issued a lengthy report addressing the legal issues raised by the Wackenhut investigation. In April 1991, Wackenhut was instructed to turn over to your firm, all documents in its possession which related to the investigation performed for Alyeska and, in fact, at or about that time, Wayne B. Black travelled to Los Angeles and delivered several boxes of Wackenhut investigative files to Joel McIntyre, Esq. of your firm.

As you are aware, on November 4-6, 1991, the Committee held hearings regarding the scope of the Wackenhut investigation in an attempt to learn whether it had been undertaken, in whole or in part, to interfere with the flow of information to this Committee or to otherwise obstruct the Committee's investigation of the Exxon Valdez oil spill and Alyeska operations. During the course of those hearings and the Committee's investigation of the covert surveillance operation, several assertions were made about the quality of the work done by your firm.

**EXHIBIT 116**

In particular, I call your attention to sworn testimony by Alyeska's attorney, William Richey, Esq. of the Miami, Florida law firm Richey, Munroe, Fine, Goodman and Armstrong:

> And when I went through the Paul, Hastings material this past week, I was just stunned with what they said, because it is highly inaccurate, and the legal analysis in the final memorandum was totally deficient.

[Richey testimony of November 5, 1991.]

In addition, attorneys for Wackenhut and its former investigator, Wayne B. Black, have informed my staff of Mr. Black's assertion that documents now apparently missing from the Wackenhut investigative file were in that file when it was delivered to your firm in April 1991.

Given the seriousness of these statements, I ask that you respond for the hearing record by answering the following questions:

1. Upon reflection and review, given the facts known to you at the time you did the January 22, 1991 Report to the owners, do you and the members of your firm who did the work stand by the analysis and the conclusions reached in the Report?

2. How thoroughly did your firm conduct its review of the Wackenut investigation? Were there any limitations on your access to Wackenhut or Alyeska employees or to relevant documents and materials?

3. How did your firm obtain and maintain custody of the files produced to you in April 1991?

4. Were any of the Wackenhut files empty or apparently incomplete? In particular, were any detailed bills for Wackenhut's services included in the files? Are you aware of any documents in the Wackenhut file which were lost or destroyed while in your firm's custody or control?

5. Are there any comments you wish to make regarding the report, your work for the owners and/or the statements made by Mr. Richey and Mr. Black?

Please respond on or before February 3, 1992.

Sincerely,

George Miller
Chairman

cc: Honorable Don Young
William Richey, Esq.
Robert E. Jordan, III, Esq.
Gregory A. Baldwin, Esq.
Jon A. Sale, Esq.
Larry A. Stumpf, Esq.
Joel McIntyre, Esq.

LAW OFFICES OF
PAUL, HASTINGS, JANOFSKY & WALKER
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

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COUNSEL
LEE G. PAUL
ROBERT P. HASTINGS
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WASHINGTON, D.C. OFFICE
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WASHINGTON, D.C. 20036-5303
TELEPHONE (202) 223-9000

January 31, 1992

WRITER'S DIRECT DIAL NUMBER

(310) 319-3248

OUR FILE NO

Honorable George Miller
Chairman
Committee on Interior and
Insular Affairs
U.S. House of Representatives
Washington, D.C. 20515-6201

Dear Chairman Miller:

This letter is in reply to your letter of January 21, 1992. For convenience of reference, I have quoted each of the five questions posed in your letter, followed by my firm's answer.

1. Question Upon reflection and review, given the facts known to you at the time you did the January 22, 1991 Report to the Owners, do you and the members of your firm who did the work stand by the analysis and the conclusions reached in the Report?

   Answer Yes.

2. Question How thoroughly did your firm conduct its review of the Wackenhut investigation? Were there any limitations on your access to Wackenhut or Alyeska employees or to relevant documents and materials?

Answer Our investigation was thorough and complete. No limitations were placed on our access to Wackenhut or Alyeska employees or to relevant documents and materials.

3. Question How did your firm obtain and maintain custody of the files produced to you in April 1991?

Answer The subject files were hand delivered to Joel F. McIntyre, a Paul, Hastings, Janofsky & Walker partner, on April 16, 1991 by Wayne Black and Gil Mugarra of Wackenhut. Mr. Black and Mr. Mugarra personally placed all of the files which they delivered to Paul, Hastings, Janofsky & Walker ("PHJ&W") in 4 PHJ&W File Keepers boxes. Mr. Black and Mr. Mugarra personally sealed such boxes in the presence of Mr. McIntyre. The 4 boxes remained sealed and unopened until August 22, 1991 when they were opened in PHJ&W's office in connection with responding to Chairman Miller's letter of August 7, 1991 to James B. Hermiller. The boxes were opened on August 22, 1991 by Lawrence R. Trotter, Senior Attorney with Alyeska Pipeline Service Company and Joel F. McIntyre of PHJ&W. Also present at the time the boxes were opened was Katharine A. Traxler, Esq., an associate attorney employed by PHJ&W. James Rowan, counsel for Wackenhut, was in attendance via conference telephone hookup at the time the boxes were opened. The seals were unbroken and had not been tampered with when these boxes were opened on August 22, 1991.

During the period between April 16, 1991 and August 22, 1991, the 4 sealed boxes were maintained in a locked closet on the 26th Floor of PHJ&W's offices at 555 South Flower Street, Los Angeles, California. The

contents of that closet consisted of the 4 sealed boxes, a locked file cabinet containing other materials relating to the Wackenhut investigation and emergency earthquake supplies.

Access to the locked closet was limited to Joel F. McIntyre, who did not retain a key to the closet, Katharine A. Traxler and John P. Burns, Esq., another associate attorney employed by PHJ&W who had keys to the closet and PHJ&W office services personnel who would have needed access to the emergency supplies maintained in the closet in the event of an earthquake or other disaster.

4. Question Were any of the Wackenhut files empty or apparently incomplete? In particular, were any detailed bills for Wackenhut's services included in the files? Are you aware of any documents in the Wackenhut file which were lost or destroyed while in your firm's custody or control?

Answer Certain of the Wackenhut files were empty and some of the Wackenhut files appeared to be incomplete when the 4 File Keepers boxes were opened on August 22, 1991 as described in paragraph 3 above. No detailed bills for Wackenhut's services were included in the files delivered to PHJ&W by Wackenhut. One file contained an index indicating that it should have contained invoices for Wackenhut services, however, no such invoices were contained in that file. No documents in the Wackenhut file were lost or destroyed while in our firm's custody or control.

5. Question Are there any comments you wish to make regarding the report, your work for the Owners and/or the statements made by Mr. Richey and Mr. Black?

Answer The Report of January 22, 1991 was a summary of our investigation, our conclusions and our recommendations to the owners. The written Report was not represented to be and was not intended to be a complete description of our investigation. As stated above, we believe that our investigation was thorough and complete and that the written Report is a fair summary of our factual determinations, conclusions and recommendations.

We have no additional comment on the portion of Mr. Richey's sworn testimony quoted in your letter. As to Mr. Black's assertion that documents now apparently missing from the Wackenhut investigative file were in that file when it was delivered to our firm in April 1991, please refer to our response to Questions 3 and 4 above.

Very truly yours,

Leonard S. Janofsky

Leonard S. Janofsky
for PAUL, HASTINGS, JANOFSKY & WALKER

cc: E. Anne Pace, Esq.
Robert E. Jordan, III, Esq.

IN THE

COMMONWEALTH OF VIRGINIA

DEPARTMENT OF COMMERCE

IN RE:

The Wackenhut Corporation
Wheaton, Maryland

File Number 92-00407

CONSENT ORDER NO. 92-012-92-00407

The Wackenhut Corporation (Wackenhut) is and was at all times material to this matter registered with the Private Security Services Board (Nos. 000172, 000191, 000192, 000210) in Virginia.

As a result of this status, Wackenhut recognizes and acknowledges that it is subject to and bound by the Regulations of the Department of Commerce for Private Security Services Businesses, as well as by all other applicable Virginia laws.

Violations of these Regulations have been reported and substantiated by investigation. The Board has found sufficient evidence to believe that:

> During the approximate time frame of May through September, 1990, four individuals employed or authorized by The Wackenhut Corporation to engage in private investigation services in Virginia were not registered and did not hold private investigator licenses in accordance with Code of Virginia Section 54.1-1902.

The actions outlined above are believed to violate the following Regulations:

1988 Regulations:

7 Counts of:
§4.1. Registration of employees required.

Each licensee shall assure that all persons employed to perform duties defined under § 54-729.27 (§4.1-1908) of the Code of Virginia possess a current and valid registration issued by the department.

7 Counts of:
§4.11. Grounds to refuse issuance, suspend, revoke or modify a license or registration or to deny renewal of a license or registration.

The Department may refuse to issue a license or registration, suspend or revoke a license or registration, or deny renewal of license or registration, or modify any registration or license if it finds that:

4. The applicant, licensee, or registrant has violated, or aided or abetted others in violating §§ 54-729.27 through 54-729.34 (§ 54.1-1900 thru § 54.1-1908) of the Code of Virginia, regulations adopted by the Department of Criminal Justice Services, or these regulations.

By an authorized signature to this Order, Wackenhut recognizes and acknowledges its understanding of the charges and allegations against it. Wackenhut further acknowledges its understanding that it is entitled to a formal public hearing in accordance with the provisions of the Virginia Administrative Process Act.

Wackenhut hereby knowingly and voluntarily waives its rights to a formal public hearing, neither admits nor denies the alleged violations of the Department's Regulations, and consents to the imposition of the following sanction of the Department:

A monetary penalty of $7000.00 is hereby assessed. In addition, Wackenhut shall reimburse the Department of Commerce for investigative and administrative costs in the amount of $3000.00. Within 30 days from the effective date of this Order, Wackenhut shall submit a certified or cashier's check in the amount of $10,000.00 to the Department of Commerce, made payable to the "Treasurer of Virginia." Failure to make payment for the monetary penalty and costs within the stated time frame will result in automatic suspension of Wackenhut's private security business licenses.

The authorized agent for The Wackenhut Corporation acknowledges this monetary penalty as a debt to the Commonwealth and agrees that in the event of a default, or the return of a check for insufficient funds, the authorized agent will be responsible for a penalty fee of 10% and interest at the underpayment rate prescribed in Section 58.1-15 of the Code of Virginia, and for all reasonable administrative costs, collection fees, or attorney's fees incurred in the collection for whatever funds are due.

The effective date of this Order shall be the date of execution by the Department.

SEEN AND AGREED TO:

Authorized Agent
The Wackenhut Corporation

Date: 4/17/92

Title: Attorney

CITY/~~COUNTY~~ OF Richmond
COMMONWEALTH OF VIRGINIA

Sworn and subscribed before me this 17th day of April, 1992.

Edith C. Pruss
Notary Public

My commission expires 9/30/95.

SO ORDERED:

Entered this 17th day of April, 1992.

DEPARTMENT OF COMMERCE

Milton K. Brown, Jr., Director

COPY TESTE:

Custodian of the Records

GEORGE MILLER, CALIFORNIA, CHAIRMAN
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LARRY LAROCCO, IDAHO

U.S. House of Representatives
Committee on
Interior and Insular Affairs
Washington, DC 20515-6201

DON YOUNG, ALASKA
RANKING REPUBLICAN MEMBER
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CRAIG THOMAS, WYOMING
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RICHARD T. SCHULZE, PENNSYLVANIA
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CHARLES H. TAYLOR, NORTH CAROLINA
JOHN T. DOOLITTLE, CALIFORNIA
WAYNE ALLARD, COLORADO

DANIEL P. BEARD
STAFF DIRECTOR
RICHARD MELTZER
GENERAL COUNSEL
DANIEL VAL KISH
REPUBLICAN STAFF DIRECTOR

August 7, 1991

**BY TELECOPIER AND FEDERAL EXPRESS**

Mr. Pat Wellington
Manager, Corporate Security
Alyeska Pipeline Service Company
1835 South Bragaw Street
Anchorage, Alaska 99512

Dear Mr. Wellington:

Pursuant to its authority under Rule X, clauses 1(l) and 2 of the Rules of the House of Representatives, the Committee on Interior and Insular Affairs is investigating allegations that The Wackenhut Corporation and/or its contractors conducted undercover surveillance and investigation of Mr. Charles Hamel on behalf of Alyeska Pipeline Service Company and/or any of its member corporations (including Exxon Corporation and any of its subsidiaries or related entities) for the purpose of obtaining information on and/or interfering with Mr. Hamel's communications with the Committee.

In furtherance of this investigation, please provide the Committee on or before September 6, 1991 with all documents and records (including correspondence, memoranda, notes, reports, photographs, videotapes, electronic reproductions, computer disks, audiotapes and transcripts of any audiotapes) in your possession or control relating to any investigation or surveillance of Mr. Charles Hamel, specifically including but not limited to: all such documents and records kept at 1500 San Remo Avenue in Coral Gables, Florida; all documents and records regarding Wackenhut Investigation No. 427; all daily activity logs, diaries, and telephone logs for persons involved in or aware of the undercover operation; all documents and records of payments made in furtherance of the undercover operation; all documents or records obtained in any manner from Mr. Hamel.

Please be advised that failure to preserve documents and records which are the subject of a Congressional investigation may be a criminal offense.

Should you have any questions regarding this matter, please contact Jeffrey Petrich or Linda Chase at (202) 225-2761.

Very truly yours,

George Miller
Chairman

cc: Dave Marquez, Esq., General Counsel
Roger Steiger, Washington Representative

GEORGE MILLER CALIFORNIA CHAIRMAN
PHILIP R SHARP INDIANA
EDWARD J MARKEY MASSACHUSETTS
AUSTIN J MURPHY PENNSYLVANIA
NICK JOE RAHALL II WEST VIRGINIA
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GEORGE (BUDDY) DARDEN GEORGIA
PETER J VISCLOSKY INDIANA
JAMES B FUSTER PUERTO RICO
MEL LEVINE CALIFORNIA
WAYNE OWENS UTAH
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BEN NIGHTHORSE CAMPBELL COLORADO
PETER A DEFAZIO OREGON
SOLOMON P ORTIZ AMERICAN SAMOA
TIM JOHNSON SOUTH DAKOTA
CHARLES E SCHUMER NEW YORK
JIM JONTZ INDIANA
PETER HOAGLAND NEBRASKA
HARRY JOHNSTON FLORIDA
LARRY LAROCCO IDAHO

U.S. House of Representatives
Committee on
Interior and Insular Affairs
Washington, DC 20515-6201

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JOHN T DOOLITTLE CALIFORNIA
WAYNE ALLARD COLORADO

DANIEL P BEARD
STAFF DIRECTOR
RICHARD MELTZER
GENERAL COUNSEL
DANIEL VAL KISH
REPUBLICAN STAFF DIRECTOR

August 7, 1991

**BY TELECOPIER AND FEDERAL EXPRESS**

Mr. L. R. Raymond
President
Exxon Corporation
225 John Carpenter Freeway
Irving, Texas 75062

Dear Mr. Raymond:

Pursuant to its authority under Rule X, clauses 1(l) and 2 of the Rules of the House of Representatives, the Committee on Interior and Insular Affairs is investigating allegations that The Wackenhut Corporation and/or its contractors conducted undercover surveillance and investigation of Mr. Charles Hamel on behalf of Alyeska Pipeline Service Company and/or any of its member corporations (including Exxon Corporation and any of its subsidiaries or related entities) for the purpose of obtaining information on and/or interfering with Mr. Hamel's communications with the Committee.

In furtherance of this investigation, please provide the Committee on or before September 6, 1991 with all documents and records (including correspondence, memoranda, notes, reports, photographs, videotapes, electronic reproductions, computer disks, audiotapes and transcripts of any audiotapes) in your possession or control relating to any investigation or surveillance of Mr. Charles Hamel, specifically including but not limited to: all such documents and records kept at 1500 San Remo Avenue in Coral Gables, Florida; all documents and records regarding Wackenhut Investigation No. 427; all daily activity logs, diaries, and telephone logs for persons involved in or aware of the undercover operation; all documents and records of payments made in furtherance of the undercover operation; all documents or records obtained in any manner from Mr. Hamel.

Please be advised that failure to preserve documents and records which are the subject of a Congressional investigation may be a criminal offense.

Should you have any questions regarding this matter, please contact Jeffrey Petrich or Linda Chase at (202) 225-2761.

Very truly yours,

George Miller
Chairman

cc: Richard S. Longbard, Esq., General Counsel
Donald E. Smiley, V. P. Washington Office

U.S. House of Representatives
Committee on
Interior and Insular Affairs
Washington, DC 20515-6201

August 7, 1991

**BY TELECOPIER AND FEDERAL EXPRESS**

Mr. Wayne Black
Director, Special Investigations Department
The Wackenhut Corporation
1500 San Remo Avenue
Coral Gables, Florida 33146

Dear Mr. Black:

Pursuant to its authority under Rule X, clauses 1(l) and 2 of the Rules of the House of Representatives, the Committee on Interior and Insular Affairs is investigating allegations that The Wackenhut Corporation and/or its contractors conducted undercover surveillance and investigation of Mr. Charles Hamel on behalf of Alyeska Pipeline Service Company and/or any of its member corporations (including Exxon Corporation and any of its subsidiaries or related entities) for the purpose of obtaining information on and/or interfering with Mr. Hamel's communications with the Committee.

In furtherance of this investigation, please provide the Committee on or before September 6, 1991 with all documents and records (including correspondence, memoranda, notes, reports, photographs, videotapes, electronic reproductions, computer disks, audiotapes and transcripts of any audiotapes) in your possession or control relating to any investigation or surveillance of Mr. Charles Hamel, specifically including but not limited to: all such documents and records kept at 1500 San Remo Avenue in Coral Gables, Florida; all documents and records regarding Wackenhut Investigation No. 427; all daily activity logs, diaries, and telephone logs for persons involved in or aware of the undercover operation; all documents and records of payments made in furtherance of the undercover operation; all documents or records obtained in any manner from Mr. Hamel.

Please be advised that failure to preserve documents and records which are the subject of a Congressional investigation may be a criminal offense.

Should you have any questions regarding this matter, please contact Jeffrey Petrich or Linda Chase at (202) 225-2761.

Very truly yours,

George Miller
Chairman

cc: James P. Rowan, Esq., General Counsel

MORRIS K. UDALL, ARIZONA, CHAIRMAN
GEORGE MILLER, CALIFORNIA, VICE CHAIRMAN
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U.S. House of Representatives
Committee on
Interior and Insular Affairs
Washington, DC 20515-6230

DON YOUNG, ALASKA
RANKING REPUBLICAN MEMBER
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RON MARLENEE, MONTANA
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CHARLES H. TAYLOR, NORTH CAROLINA
JOHN T. DOOLITTLE, CALIFORNIA
WAYNE ALLARD, COLORADO

DANIEL P. BEARD
STAFF DIRECTOR

RICHARD MELTZER
GENERAL COUNSEL

DANIEL VAL KISH
REPUBLICAN STAFF DIRECTOR

August 28, 1991

VIA FEDERAL EXPRESS

David Marquez, Esq.
General Counsel
Alyeska Pipeline Service Company
1835 South Bragaw Street
Anchorage, Alaska 99512

Dear Mr. Marquez:

As Alyeska has informed us, at a meeting held in or about September 1990, Alyeska informed its owner companies that it had retained The Wackenhut Corporation to conduct covert surveillance of Charles Hamel. We also understand that at the September 1990 meeting, there was discussion of the Wackenhut surveillance as well as a vote by the member companies to discontinue the surveillance. However, as has been reported by the press, representatives of two Alyeska owner companies appear to have recollections of the vote and the reasons for discontinuing the surveillance which are different from those of Alyeska.

Therefore, please be certain that the documents which you have agreed to provide to the Committee on or before September 6, 1991, include any and all documents or other records relating in any way to discussions and/or votes at the September 1990 or any other meeting regarding the Wackenhut investigation of Mr. Hamel. Such documents and/or records should include, but not be limited to agendas, correspondence, minutes, notes, tape recordings, transcriptions and/or summaries of the discussions and/or votes whether in Alyeska's possession or control, or the possession or control of any Alyeska owner company.

While we consider these documents to be within the scope of Chairman Miller's August 7, 1991 request to Mr. Hermiller, since they were not among the types of documents you referred to in our telephone conversation last Friday, the above more specific description is intended to avoid unnecessary delay in Alyeska's production of documents to the Committee.

EXHIBIT 119

Please call me at (202) 226-0200 should you have any questions or if these documents will not be produced on or before September 6, 1991.

Sincerely,

Linda J. Chase
Chief Counsel on Investigations

LJC/mm

cc: Roger Staiger, Jr.
Averill Williams
William C. Rusnack
Roger E. Truitt
Donald Nyberg
Darrell G. Warner
E. R. Hoffman
W. K. Shriver
William L. Thacker

Alyeska pipeline SERVICE COMPANY

1835 SOUTH BRAGAW STREET ANCHORAGE, ALASKA 99512 TELEPHONE (907) 278-1611 TELEX 090 25 12

August 12, 1991 BY TELECOPIER & FEDERAL EXPRESS

The Honorable George Miller, Chairman
U. S. House of Representatives
Committee on Interior
and Insular Affairs
Washington, D.C. 20515-6201

Dear Congressman Miller:

This is in response to your letters of August 7, 1991, advising Alyeska that the House Committee on Interior and Insular Affairs is investigating allegations that The Wackenhut Corporation conducted an investigation of Mr. Charles Hamel on behalf of Alyeska Pipeline Service Company. Alyeska acknowledges your request for documents and records and will cooperate fully.

I would like to address some possible misunderstandings indicated by your letter. First, neither Exxon Corporation, any of its related entities, nor any TAPS owner company authorized any such investigation. Secondly, it should be understood that the investigation did not seek to obtain information about any members of the Committee, including yourself, or to interfere in any way with Mr. Hamel's communications with the Committee.

An investigation was conducted for Alyeska by The Wackenhut Corporation between March, 1990 and September, 1990, as a result of unauthorized releases of highly confidential company records and privileged legal documents relating to ongoing litigation. Mr. Hamel had in his possession some of the documents stolen from Alyeska. The investigation was designed to trace the stolen documents back to the internal Alyeska source.

As President and CEO of Alyeska, I authorized the investigation to achieve a single objective - to protect our company's records and files. The outside security firm was instructed to proceed employing standard and accepted lawful investigative procedures. I initially informed the TAPS owner companies about the investigation in September, 1990, at which time the owner companies and Alyeska decided to terminate all further investigatory activities. Thereafter, the documents and records related to the investigation were collected, isolated and safeguarded from use by any party.

I have asked David Marquez, Alyeska's General Counsel, to contact your staff to facilitate our cooperation with the Committee's request. He will call your office by August 19, 1991, for this purpose.

Very truly yours,

James B. Hermiller

James B. Hermiller
President and CEO

cc: The Honorable Don Young, Ranking Minority Member

EXHIBIT 120

WACKENHUT
SECURITY SYSTEMS AND SERVICES THROUGHOUT THE WORLD

THE WACKENHUT CORPORATION
1500 SAN REMO AVENUE
CORAL GABLES, FLORIDA 33146-3036
(305) 666-5656

September 5, 1991

BY TELECOPIER & AIRBORNE EXPRESS

The Honorable George Miller, Chairman
U.S. House of Representatives
Committee on Interior and
Insular Affairs
Washington, D.C. 20515-6201

Dear Congressman Miller:

Mr. George Wackenhut has asked me to respond to your several letters of August 12, 1991 to him and Messrs. Alan Bernstein, Wayne Black, Richard Lund and Gilfredo Mugarra concerning an investigation performed on behalf of Alyeska Pipeline Service Company (Alyeska).

Prior to your Committee's request, we had already turned over virtually all of the requested materials to Alyeska at their direction. In furtherance of your Committee's investigation, we have turned over copies of all of such materials remaining in our possession to Alyeska, at their request, and we understand that Alyeska is in turn, arranging to deliver all of these materials to your office in cooperation with the Committee's request, except for those Attorney/Client documents for which they may claim privilege.

I hope that this will prove satisfactory to the Committee. If you have any questions or comments please contact me at (305) 666-5656.

Very truly yours,

James P. Rowan
Vice President and
General Counsel

*Professionalism With Integrity℠*

EXHIBIT 121

EXXON PIPELINE COMPANY
POST OFFICE BOX 2220 • HOUSTON, TEXAS 77252-2220

DARRELL G. WARNER
PRESIDENT

August 13, 1991

The Honorable George Miller
Chairman, Committee on Interior and Insular Affairs
U.S. House of Representatives
Washington, D.C. 20515-6201

Dear Mr. Miller:

Your letters of August 7, 1991 to Mr. L. R. Raymond of Exxon Corporation and Mr. W. D. Stevens of Exxon Company, U.S.A. requesting certain documents and records relating to a security investigation by The Wackenhut Corporation have been referred to me for response. Since the investigation in question was conducted for Alyeska Pipeline Service Company, Exxon Pipeline Company, as a 20% owner of Alyeska, is the appropriate Exxon Corporation affiliate to respond.

I am informed that Alyeska has communicated with you regarding the investigation and has indicated its intention to cooperate fully in connection with your request. Neither Exxon Corporation nor any of its subsidiaries, including Exxon Pipeline Company, ever conducted or authorized any investigation of any sort or any undercover surveillance of Charles Hamel.

Very truly yours,

Darrell G. Warner

DGW:ray

c: The Honorable Don Young,
Ranking Minority Member
Mr. L. R. Raymond, Exxon Corporation
Mr. W. D. Stevens, Exxon Company, U.S.A.

EXHIBIT 122

LAW OFFICES
Andrew J. Anthony, P.A.
999 PONCE DE LEON BOULEVARD · SUITE 1035
CORAL GABLES, FLORIDA 33134

(305) 444-8827
FAX (305) 529-1072

ANDREW J. ANTHONY
JORGE L. LOPEZ-GARCIA
E. JAMES SCHMICK, P.A.
OF COUNSEL

August 20, 1991

CERTIFIED MAIL
RRR 677 675 281

Mr. Rafael G. Castillo
940 S.W. Ninth Street
Miami, Florida 33130

Dear Mr. Castillo:

This firm represents the Wackenhut Corporation.

While you were employed by The Wackenhut Corporation, you signed the Wackenhut Corporation's Special Investigation Service Agreement. A copy of that agreement is attached to this letter and marked as Exhibit "A" for your review. You also executed a Non Compete Agreement. A copy of that Agreement is attached hereto as Exhibit "B".

As part of your employment, you agreed not to disclose to any person or entity or to otherwise use any confidential information, sources, or activities obtained by you while you were employed by The Wackenhut Corporation.

The Wackenhut Corporation has reason to believe former employees have released information concerning a Wackenhut client. Accordingly, demand is hereby made pursuant to these Agreements and pursuant to Florida law, that you cease and desist from revealing any other such information. If you have any documents, or anything of a tangible nature concerning any Wackenhut client, they should be returned immediately to the Legal Department at The Wackenhut Corporation. Finally, if you made any communication or gave any information about any Wackenhut client to anyone other than The Wackenhut Corporation, demand is made that you immediately make a full written disclosure to the Legal Department at Wackenhut or to this firm.

EXHIBIT 123

Your Agreements clearly set forth your responsibilities to The Wackenhut Corporation. Those Agreements show you have a legal and moral responsibility to speak to no one about any such information you may have obtained while you worked for or when you were retained as a private investigator for Wackenhut.

Very truly yours,

ANDREW J. ANTHONY

AJA/cas

Enclosures

letter.mis\castillo

P 677 675 281
RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

| | |
|---|---|
| Sent to Mr. Rafael G. Castillo | |
| Street and No. 940 SW Ninth Street. | |
| P.O., State and ZIP Code Miami, FL 33130 | |
| Postage | $ |
| Certified Fee | |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt showing to whom and Date Delivered | |
| Return Receipt showing to whom, Date, and Address of Delivery | |
| TOTAL Postage and Fees | $ |
| Postmark or Date | |

PS Form 3800, June 1985

LAW OFFICES
Andrew J. Anthony, P.A.
999 PONCE DE LEON BOULEVARD • SUITE 1035
CORAL GABLES, FLORIDA 33134

(305) 444-8927
FAX (305) 529-1072

ANDREW J. ANTHONY
JORGE L. LOPEZ-GARCIA
E. JAMES SCHMICK, P.A.
OF COUNSEL

August 20, 1991

CERTIFIED MAIL
RRR 730 186 540

Ms. Ana Maria Contreras
7489 South Waterway Drive
Miami, Florida 33156

Dear Ms. Contreras:

This firm represents the Wackenhut Corporation.

While you were employed by The Wackenhut Corporation, you signed the Wackenhut Corporation's Special Investigation Service Agreement. A copy of that agreement is attached to this letter and marked as Exhibit "A" for your review.

As part of your employment, you agreed not to disclose to any person or entity or to otherwise use any confidential information, sources, or activities obtained by you while you were employed by The Wackenhut Corporation.

The Wackenhut Corporation has reason to believe former employees have released information concerning a Wackenhut client. Accordingly, demand is hereby made pursuant to these Agreements and pursuant to Florida law, that you cease and desist from revealing any other such information. If you have any documents, or anything of a tangible nature concerning any Wackenhut client, they should be returned immediately to the Legal Department at The Wackenhut Corporation. Finally, if you made any communication or gave any information about any Wackenhut client to anyone other than The Wackenhut Corporation, demand is made that you immediately make a full written disclosure to the Legal Department at Wackenhut or to this firm.

Ms. Adriana G. Caputi
August 20, 1991
page 2

Your Agreement clearly set forth your responsibilities to The Wackenhut Corporation. Those Agreements show you have a legal and moral responsibility to speak to no one about any such information you may have obtained while you worked for Wackenhut.

Very truly yours,

ANDREW J. ANTHONY

AJA/cas

Enclosures

twc.cas\ltr\caputi

P 730 186 541

RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

| | |
|---|---|
| Sent to ADRIANA Caputi | |
| Street and No. 1352 SW 119 Ave | |
| P.O., State and ZIP Code Pembroke Pines, FL 33025 | |
| Postage | $ |
| Certified Fee | |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt showing to whom and Date Delivered | |
| Return Receipt showing to whom, Date, and Address of Delivery | |
| TOTAL Postage and Fees | $ |
| Postmark or Date | |

PS Form 3800, June 1988

MORRIS K. UDALL ARIZONA CHAIRMAN
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RON DE LUGO VIRGIN ISLANDS
SAM GEJDENSON CONNECTICUT
PETER H. KOSTMAYER PENNSYLVANIA
RICHARD H. LEHMAN CALIFORNIA
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GEORGE (BUDDY) DARDEN GEORGIA
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MEL LEVINE CALIFORNIA
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JOHN LEWIS GEORGIA
BEN NIGHTHORSE CAMPBELL COLORADO
PETER A. DEFAZIO OREGON
ENI F.H. FALEOMAVAEGA AMERICAN SAMOA
TIM JOHNSON SOUTH DAKOTA
CHARLES E. SCHUMER NEW YORK
JIM CHATZ INDIANA
PETER HOAGLAND NEBRASKA
HARRY JOHNSTON FLORIDA
LARRY LAROCCO IDAHO

# U.S. House of Representatives
## Committee on Interior and Insular Affairs
## Washington, DC 20515-6230

DON YOUNG ALASKA
RANKING REPUB. CAN MEMB
ROBERT J. LAGOMARSINO CALIFORNIA
RON MARLENEE MONTANA
JAMES V. HANSEN UTAH
BARBARA F. VUCANOVICH NEVADA
BEN BLAZ GUAM
JOHN J. RHODES III ARIZONA
ELTON GALLEGLY CALIFORNIA
ROBERT F. SMITH OREGON
CRAIG THOMAS WYOMING
JOHN J. DUNCAN JR. TENNESSEE
RICHARD F. SCHULZE PENNSYLVANIA
JOE HEFLEY COLORADO
CHARLES H. TAYLOR NORTH CAROLINA
JOHN T. DOOLITTLE CALIFORNIA
WAYNE ALLARD COLORADO

DANIEL P. BEARD
STAFF DIRECTOR
RICHARD MELZER
GENERAL COUNSEL
DANIEL VAL KISH
REPUBLICAN STAFF DIRECTOR

August 29, 1991

VIA FEDERAL EXPRESS

Andrew J. Anthony, Esq.
999 Ponce De Leon Boulevard
Suite 1035
Coral Gables, Florida 33134

Dear Mr. Anthony:

We have been informed that on behalf of The Wackenhut Corporation ("Wackenhut"), you recently sent a letter to several former Wackenhut employees demanding that they cease disclosing information learned while employed at Wackenhut. As you may know, by letter of August 7, 1991, Representative George Miller, Chairman of the Committee on Interior and Insular Affairs (the "Committee"), informed Mr. George Wackenhut and other Wackenhut officers and employees that pursuant to its authority under Rule X, clauses 1(1) and 2 of the Rules of the House of Representatives, the Committee is investigating allegations regarding Wackenhut's surveillance of Mr. Charles Hamel. We are concerned that your letter may be interpreted as a threat or an attempt to harass or intimidate Wackenhut employees who provide the Committee with facts relevant to this investigation.

In order to fully support its broad, constitutionally-based power of inquiry, Congress has made it a federal criminal law to impede a Congressional investigation or intimidate or harass Congressional witnesses. Thus, with respect to communications between any present or former Wackenhut employee and this Committee regarding its investigation, please be advised that section 1505 of United States Code, Title 18 provides:

> Whoever corruptly, or by threats of force, or by any threatening letter or communication influences, obstructs, or impedes or endeavors to influence, obstruct, or impede ... the due and proper exercise of the power of inquiry under which any inquiry or investigation is being had by either House, or any committee of either House or any joint committee of the Congress --

EXHIBIT 124

Shall be fined not more than $5,000 or imprisoned not more than five years, or both.

Furthermore, section 1512, subsections (b) and (c) of Title 18 provide:

> (b) Whoever knowingly uses intimidation or physical force, threatens, or corruptly persuades another person, or attempts to do so, or engages in misleading conduct toward another person, with intent to --
>
> (1) influence, delay, or prevent the testimony of any person in an official proceeding;
>
> (2) cause or induce any person to --
>
> (A) withhold testimony, or withhold a record, document, or other object, from an official proceeding;
>
> * * * *
>
> shall be fined not more than $250,000 or imprisoned not more than ten years, or both.
>
> (c) Whoever intentionally harasses another person and thereby hinders, delays, prevents, or dissuades any person from --
>
> (1) attending or testifying in an official proceeding;
>
> * * * *
>
> or attempts to do so, shall be fined not more than $25,000 or imprisoned not more than one year, or both.

In order to be certain that your letter will not become an impediment to the Committee's investigation, please provide me by September 6, 1991 with a list, including names and addresses, of all persons to whom your letter was sent.

Please call me at (202) 226-0200 should you have any questions.

Sincerely,

Linda J. Chase
Chief Counsel on Investigations

cc: Mr. George Wackenhut
James P. Rowan, Esq.
David Marquez, Esq.

Alyeska pipeline SERVICE COMPANY

October 1, 1991

Mr. George Wackenhut
The Wackenhut Corporation
1500 San Remo Avenue
Coral Gables, Florida 33146-3036

Dear Mr. Wackenhut:

I am writing with respect to the investigation being conducted by the House Committee on Interior and Insular Affairs. As you are aware, a principal focus of the Committee's inquiry is the investigation conducted by The Wackenhut Corporation on behalf of Alyeska Pipeline Service Company, which focussed on identifying the sources of information believed to have been stolen from Alyeska.

As you know, we have been working with your General Counsel, Jim Rowan, in an effort to ensure that all nonprivileged information developed by Wackenhut and responsive to Chairman Miller's letters to Wackenhut and to Alyeska is provided to the Committee. Wackenhut has been providing to Alyeska the information it has identified in its files, and Alyeska has been transmitting that information, to the extent not privileged, to Chairman Miller's committee. As such, no issues have heretofore arisen requiring us to address the provisions of Florida law which prohibit investigators from releasing investigative information developed for a client without the prior written consent of the client.

I understand that late last week the committee staff asked Wackenhut to make Wayne Black and Rick Lund available to testify at Committee hearings scheduled for November 4-5, 1991, and that Wackenhut has received a subpoena for documents from the Committee. Your company may receive similar requests for testimony or interviews regarding other persons utilized by Wackenhut in connection with the investigation. Such requests raise questions about Alyeska's rights to insist upon nondisclosure under the Florida law. Alyeska has no desire to have the Florida law impede the Committee's investigation in any way. Accordingly, I am providing you through this letter with advance written consent that will permit you to cooperate fully

in making documents and Wackenhut employees, contractors, and consultants available to the Committee and to those authorized representatives of the Committee officially acting on behalf of the Committee. You are specifically authorized and requested by Alyeska to do so. You may convey the terms of this consent to all Wackenhut employees, consultants, and contractors who may be asked to provide information to the Committee.

I wish to make it clear that this consent also extends to, and relieves Wackenhut from, any contractual obligations Wackenhut has to Alyeska with respect to protecting the secrecy and confidentiality of information relating to the investigation undertaken on Alyeska's behalf.

This consent, both under Florida law and with respect to Wackenhut's contractual obligations to Alyeska, is strictly limited to the release of information to those persons authorized to act in an official capacity on behalf of the House Interior and Insular Affairs Committee. The consent does not extend to any other committee of Congress, nor does it extend to the release of information pursuant to request or compulsory process in any litigation or other context whatsoever. Also, it does not extend to disclosures to individual Members of Congress or Committee or personal staff acting on behalf of such individual members. This consent applies only where the individual to whom information is furnished has been authorized in writing, by the Chairman, Staff Director or General Counsel, to seek such information. Also, this consent does not extend to materials protected by the attorney client privilege or the work product doctrine. We have made claims of privilege or work product protection on a number of items, most of which we believe are not in your possession; Bob Jordan will be furnishing you a list of the categories and specific items as to which we claim privilege. We ask that you assert the privilege or work product protection and not produce these items; Alyeska will take the responsibility for explaining and justifying the claims to the Committee.

Should any questions arise, in connection with interpreting the scope of Alyeska's consent or otherwise in connection with the inquiry of the Committee, I ask that you or Jim Rowan seek guidance from David Marquez, Alyeska's General Counsel, or from our outside counsel, Bob Jordan of Steptoe & Johnson. They have been delegated authority on behalf of Alyeska to deal with you or your representatives on these issues, and you may take any decisions or actions on their part as authoritative.

We know that you share our desire to cooperate with the Committee. We appreciate your continuing efforts to help us identify all materials responsive to the Committee's requests for information concerning the investigation which your company conducted at Alyeska's request.

Sincerely yours,

James B. Hermiller
President and CEO

DWM76:lms

cc: Honorable George Miller
Honorable Don Young
Daniel Meltzer, Esq.
Linda Chase, Esq.

LAW OFFICES
Andrew J. Anthony, P.A.
999 PONCE DE LEON BOULEVARD • SUITE 1035
CORAL GABLES, FLORIDA 33134

(305) 444 8927
FAX (305) 529 1072

ANDREW J. ANTHONY
JORGE L. LOPEZ-GARCIA
E. JAMES SCHMICK, P.A.
OF COUNSEL

September 6, 1991

Linda J. Chase, Esq.
Chief Counsel on Investigations
U. S. HOUSE OF REPRESENTATIVES
Committee on Interior and
Insular Affairs
Washington, DC 20515-6230

**VIA FAX and FEDERAL EXPRESS** RE: The Wackenhut Corporation

Dear Ms. Chase:

I acknowledge receipt of your fax of August 29, 1991. Copies of the letters you requested are attached for your review.

Please rest assured that neither I nor Wackenhut intended my letters to be interpreted as a threat or an attempt to obstruct or impede former Wackenhut employees from providing information to a congressional committee.

I call your attention to Florida Statute Section 493.6119. It forbids The Wackenhut Corporation and any employee from releasing the contents of an investigation file. Section 493.6120 makes it a first degree misdemeanor to violate the previous section, and also provides for a $5,000.00 fine.

Based upon the substantive law of the State of Florida, Wackenhut has a legal duty to protect the confidentiality of an investigation on behalf of its client. I am sure you will understand that The Wackenhut Corporation cannot consent to former employees releasing information obtained while they were employed by it unless some law requires it . Consent could be deemed a waiver of the client's privilege. Wackenhut, however, recognizes that there are competing legitimate interests involved.

Linda J. Chase, Esq.
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I recognize that your letter and its reference to the federal law may fall into the category of, "other law" mentioned in the Florida statutes. In any case, I will send no other letters.

The Wackenhut Corporation extends its fullest lawfull cooperation to you and to the Committee.

Very truly yours,

ANDREW J. ANTHONY

AJA:ra

enclosures

Alyeska pipeline SERVICE COMPANY

1835 SOUTH BRAGAW STREET ANCHORAGE ALASKA 99512 TELEPHONE (907) 278-1611 TELEX 090-25

September 6, 1991

The Honorable George Miller
Chairman, Committee on Interior
and Insular Affairs
U.S. House of Representatives
Washington, D. C. 20515-6201

Dear Chairman Miller:

This is in response to your letter to Mr. James Hermiller of August 7, 1991 advising that your Committee is investigating allegations that The Wackenhut Corporation, acting on behalf of Alyeska Pipeline Service Company, conducted an investigation of Mr. Charles Hamel. I am also responding to Linda Chase's letter of August 28, 1991 to me.

Mr. Hermiller's letter to you of August 12, 1991, provided some information concerning the reasons Alyeska asked The Wackenhut Corporation to conduct an investigation concerning what appeared to be the unauthorized possession by Mr. Hamel of confidential company records, including privileged documents. I wish to reaffirm Mr. Hermiller's assurance that the investigation was not initiated for the purpose of focusing in any way upon the Committee or its staff. It was initiated because of the very serious problems Alyeska had experienced with the theft of its private documents, including privileged documents reflecting the advice of counsel to their clients.

Along with this letter, I am delivering to your staff copies of materials related to the investigation which Alyeska authorized. I am prepared to go through all of these materials initially to assist in familiarizing your staff with the nature and content of the materials. In addition, I have attached to this letter a narrative describing the origin and course of the investigation. I believe that this narrative will facilitate your staff's review of the materials which are being delivered to you. Finally, I am furnishing an inventory of the materials which will also assist your staff in examining them.

The vast majority of the materials were collected from The Wackenhut Corporation and Alyeska files after the Owner Companies and Alyeska decided in September 1990 to terminate the investigation. This collection process was supervised and conducted by outside counsel retained specifically to deal with the Wackenhut investigation. The materials have been retained by

such outside counsel until recently when we began to make copies for submission to the Committee.

Our effort has been to search for and provide you with everything that is currently in the possession or control of Alyeska relating to the Wackenhut investigation, including all investigative reports and other materials developed during the investigation. If other non-privileged responsive documents or materials are subsequently identified, we will notify the Committee's staff and provide it with copies at the earliest time. The only materials relating to the investigation that are not being made available are communications between counsel and their clients which fall within the attorney-client privilege.

With regard to Linda Chase's letter, we do not agree that the documents she requests are within the scope of your August 7 request to Mr. Hermiller. Nonetheless, Alyeska does not have in its possession or under its control any documents or other materials responsive to her request regarding the meetings on September 25, 1990 among the major Owners or the meeting on October 3, 1990 of the Owners Committee. I am informed by the respective Owners that each has forwarded to me copies of all non-privileged documents and materials in its possession responsive to Ms. Chase's letter. Those materials are included in today's submission.

I am prepared to assist your staff, if that would be helpful, in responding to questions concerning the investigation or the material that is being transmitted today with this letter.

Very truly yours,

David W. Marquez
General Counsel

cc: The Honorable Don Young

# INVENTORY OF MATERIALS PRODUCED TO THE HOUSE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS BY ALYESKA PIPELINE SERVICE COMPANY

**September 6, 1991**

**Revised September 17, 1991**

(NUMBER REFERENCES ARE TO FILE POCKETS CONTAINED IN INDIVIDUAL DOCUMENT BOXES; SOME FILE POCKETS CONTAIN INDIVIDUAL ITEMS, WHILE OTHERS CONTAIN MULTIPLE ITEMS. THERE ARE SIX BOXES IN TOTAL.)

## BOX 1

1. THREE PIECES OF PAPER GIVEN TO INVESTIGATOR RICKI JACOBSON BY CHARLES HAMEL ON MARCH 24, 1990.

2. ITEMS TAKEN FROM THE TRASH OF BOB SCOTT BY INVESTIGATOR RICK LUND.

3. AN ENVELOPE FROM BOX 706, ZIP 99686, ADDRESSED TO MRS. GLORIA EWELL IN WASHINGTON, D.C. .

4. PERTINENT PAPERWORK DISCARDED BY CHARLES HAMEL AND RECOVERED ON MAY 2, 1990, FROM THE TRASH OF HAMEL IN ALEXANDRIA, VIRGINIA BY INVESTIGATOR RICK LUND.

5. A FACSIMILE TRANSMISSION DATED AND RECEIVED ON MAY 14, 1990, FROM CHARLES HAMEL TO WAYNE JENKINS.

6. ALYESKA PIPELINE SERVICE COMPANY WORK REQUESTS DATED APRIL 15, 1990 AND APRIL 17, 1990. THESE EXHIBITS ARE APPARENTLY STOLEN ALYESKA DOCUMENTS RECOVERED FROM THE HOME OF CHARLES HAMEL BY INVESTIGATORS BLACK AND LUND ON MAY 16, 1990.

7. AN ALYESKA CORPORATE OPERATIONS ADMINISTRATIVE EXCHANGE REPORT DATED MARCH 29, 1989. THIS DOCUMENT WAS RECOVERED FROM THE HOME OF CHARLES HAMEL BY INVESTIGATORS LUND AND BLACK ON MAY 16, 1990.

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8. TWO ALYESKA MESSAGES, BELIEVED TO BE STOLEN, RECOVERED FROM THE HOME OF CHARLES HAMEL ON MAY 16, 1990, BY INVESTIGATORS LUND AND BLACK.

9. LEGAL MEMORANDUM FROM CARLOS K. GOODMAN TO CHARLES C. IVIE. THIS DOCUMENT WAS GIVEN TO INVESTIGATOR WAYNE BLACK BY CHARLES HAMEL ON MAY 16, 1990. (THIS DOCUMENT IS NOT BEING PRODUCED BECAUSE IT IS SUBJECT TO THE ATTORNEY-CLIENT PRIVILEGE, WHICH ALYESKA INVOKES.)

10. FACSIMILE TRANSMISSION DATED MAY 17, 1990, FROM CHARLES HAMEL TO WAYNE JENKINS.

11. FACSIMILE DATED MAY 18, 1990, FROM CHARLES HAMEL TO WAYNE JENKINS. THIS IS A COPY OF THE WALL STREET JOURNAL EASTERN ADDITION DATED MAY 18, 1990, REGARDING ALYESKA.

12. MISCELLANEOUS ITEMS FROM THE TRASH OF HAMEL RECOVERED BY INVESTIGATOR GERALD DAVIS ON MAY 17, 1990.

13. ENVELOPE ADDRESSED TO MRS. GLORIA EWELL WITH THE WORDS, CLIFF ROY ON THE BACK. A TRANSACTION REPORT FROM THE MITI FACSIMILE DATED MAY 14, 1990, TAKEN FROM HAMEL TRASH ON 5/17/90.

14. FACSIMILE TRANSMITTAL FROM CHARLES HAMEL TO WAYNE JENKINS DATED MAY 22, 1990, RECEIVED BY WAYNE BLACK ON MAY 29, 1990.

15. PHOTOGRAPHS AND DOCUMENTS FROM THE TRASH OF CHARLES HAMEL COLLECTED BY INVESTIGATOR GERALD DAVIS ON MAY 30, 1990 AND RECEIVED BY WAYNE BLACK ON JUNE 14, 1990.

16. TRASH FROM CHARLES HAMEL COLLECTED BY GERALD DAVIS ON MAY 30, 1990 AND RECEIVED BY WAYNE BLACK AND RICKI JACOBSON ON JUNE 14, 1990.

17. TRASH FROM THE RESIDENCE OF ROBERT SCOTT IN ALASKA COLLECTED BY INVESTIGATORS RICK LUND AND GARY CREP IN APRIL 1990.

19. AUDIO CASSETTE RECORDING OF THE BODY TRANSMITTER WORN BY WAYNE BLACK DURING A MEETING WITH CHARLES HAMEL ON AUGUST 18, 1990. THIS IS SIDE 3 AND 4 MONITORED AND RECORDED BY RICHARD LUND.

20. AUDIO CASSETTE RECORDING OF THE BODY TRANSMITTER WORN BY WAYNE BLACK DURING A MEETING WITH CHARLES HAMEL ON AUGUST 18, 1990. THIS IS SIDE 5 MONITORED AND RECORDED BY RICHARD LUND.

21. VHS VIDEO AND AUDIO RECORDING OF A MEETING BETWEEN CHARLES HAMEL AND WAYNE BLACK WHICH TOOK PLACE ON AUGUST 18, 1990 AT SUITE 525 CENTURY BUILDING, 2341 JEFFERSON DAVIS HIGHWAY IN ARLINGTON, VIRGINIA 22202. THE RECORDING WAS MADE BY VERN JOHNSON, AND IS THE FIRST OF TWO VHS TAPES MADE AT THAT ADDRESS ON THAT DATE.

22. VHS VIDEO AND AUDIO RECORDING OF A MEETING BETWEEN CHARLES HAMEL AND WAYNE BLACK WHICH TOOK PLACE ON AUGUST 18, 1990 AT SUITE 525 CENTURY BUILDING, 2341 JEFFERSON DAVIS HIGHWAY IN ARLINGTON, VIRGINIA 22202. THE RECORDING WAS MADE BY VERN JOHNSON, AND IS THE FIRST OF TWO VHS TAPES MADE AT THAT ADDRESS ON THAT DATE.

23. VHS TAPE RECORDING OF WAYNE BLACK AND VERN JOHNSON IN WHICH BLACK REVIEWS DOCUMENTS RECEIVED FROM CHARLES HAMEL ON AUGUST 18, 1990. (THIS ITEM IS NOT BEING PRODUCED BECAUSE IT IS SUBJECT TO THE ATTORNEY-CLIENT PRIVILEGE, WHICH ALYESKA INVOKES.)

24. VHS VIDEO AND AUDIO TAPE OF A MEETING AT SUITE 525, CENTURY BUILDING, 2341 JEFFERSON DAVIS HIGHWAY BETWEEN CHARLES HAMEL, VERN JOHNSON AND WAYNE BLACK ON AUGUST 19, 1990.

25. MICROCASSETTE TAPE RECORDING OF A CONVERSATION BETWEEN WAYNE BLACK AND CHARLES HAMEL IN CRYSTAL CITY, VIRGINIA AT THE HOWARD JOHNSON'S RESTAURANT. THIS RECORDING WAS MADE ON AUGUST 19, 1990 AFTER THE MEETING DEPICTED IN EXHIBIT 24.

26. VIDEO AND AUDIO TAPE. RECORDED ON JUNE 21, 1990 BY RICHARD LUND. THE RECORDING IS OF A MEETING BETWEEN WAYNE BLACK AND CHARLES HAMEL AT THE CRYSTAL CITY MARRIOTT.

27. VIDEO CASSETTE RECORDING OF A MEETING BETWEEN CHUCK HAMEL AND WAYNE BLACK WHICH TOOK PLACE ON AUGUST 23, 1990 FROM 11:08 A.M. UNTIL 1:10 P.M. RECORDED VERN JOHNSON.

28. VHS RECORDING OF A MEETING BETWEEN CHARLES HAMEL AND WAYNE BLACK ON AUGUST 23, 1990 FROM 1:10 P.M. UNTIL 2:00 P.M. NOTE: THIS IS THE SECOND PORTION OF THE SAME MEETING REFERRED TO IN EXHIBIT 27. THIS RECORDING WAS MADE BY VERN JOHNSON.

29. AUDIO TAPE MADE ON AUGUST 24, 1990 OF A BODY TRANSMITTER WORN BY SHERREE RICH AND MONITORED BY VERN JOHNSON. THE RECORDING IS OF A CONVERSATION BETWEEN SHERREE RICH AND CHARLES HAMEL WHEN RICH DELIVERED A $2000 CHECK TO HAMEL AT HIS RESIDENCE AT 101 QUAY STREET IN ALEXANDRIA, VIRGINIA.

30. RECORDING OF A MEETING BETWEEN WAYNE BLACK AND CHARLES HAMEL ON AUGUST 30, 1990 AT SUITE 525 CENTURY BUILDING, 2341 JEFFERSON DAVIS HIGHWAY, ARLINGTON, VIRGINIA BETWEEN 10:43 A.M. AND 12:23 P.M. THIS TAPE WAS MADE BY RICHARD LUND AND IS ONE OF TWO SUCH TAPES MADE ON THIS DATE. SEE EXHIBIT 31.

31. RECORDING OF A MEETING BETWEEN WAYNE BLACK AND CHARLES HAMEL ON AUGUST 30, 1990 AT SUITE 525 CENTURY BUILDING, 2341 JEFFERSON DAVIS HIGHWAY, ARLINGTON, VIRGINIA BETWEEN 12:23 P.M. UNTIL 1:12 P.M. THIS IS THE SECOND VHS TAPE MADE THIS DATE.

## BOX 2

32. MICRO CASSETTE RECORDING OF TWO TELEPHONE CALLS BETWEEN WAYNE BLACK AND THE CHARLES HAMEL RESIDENCE ON AUGUST 30, 1990 FROM WASHINGTON NATIONAL AIRPORT.

33. CASSETTE TAPE RECORDING OF A CALL LEFT ON THE ECOLIT MIAMI NUMBER BY CHARLES HAMEL ON AUGUST 16, 1990.

34. COPY OF ATTORNEY/CLIENT PRODUCT DOCUMENT RETURNED TO CHARLES HAMEL AFTER IT WAS SECRETLY MARKED BY VERN JOHNSON. THIS DOCUMENT WAS RECEIVED BY WAYNE BLACK ON AUGUST 24, 1990. (THIS DOCUMENT IS NOT BEING PRODUCED BECAUSE IT IS SUBJECT TO THE ATTORNEY-CLIENT PRIVILEGE, WHICH ALYESKA INVOKES.)

35. COPY OF LEGAL MEMO FROM DOCUMENT REVIEW TEAM TO ROBERT S. WARREN DATED JUNE 29, 1989. THIS DOCUMENT WAS SECRETLY MARKED BY VERN JOHNSON AND RECEIVED BY WAYNE BLACK ON AUGUST 24, 1990. (THIS DOCUMENT IS NOT BEING PRODUCED BECAUSE IT IS SUBJECT TO THE ATTORNEY-CLIENT PRIVILEGE, WHICH ALYESKA INVOKES.)

36. LEGAL DOCUMENT TO LEGAL SUB-COMMITTEE MEMBERS FROM ALFRED T. SMITH, GENERAL COUNSEL, DATED MAY 26, 1989. THIS DOCUMENT WAS SECRETLY MARKED BY VERN JOHNSON AND RECEIVED BY WAYNE BLACK ON AUGUST 24, 1990. (THIS DOCUMENT IS NOT BEING PRODUCED BECAUSE IT IS SUBJECT TO THE ATTORNEY-CLIENT PRIVILEGE, WHICH ALYESKA INVOKES.)

37. LEGAL MEMO TO ROBERT S. WARREN DATED JUNE 28, 1989. THIS DOCUMENT WAS SECRETLY MARKED BY VERN JOHNSON AND RECEIVED BY WAYNE BLACK ON AUGUST 24, 1990. (THIS DOCUMENT IS NOT BEING PRODUCED BECAUSE IT IS SUBJECT TO THE ATTORNEY-CLIENT PRIVILEGE, WHICH ALYESKA INVOKES.)

38. LEGAL MEMO FROM THOMAS M. PICCONE TO ROBERT S. WARREN DATED JUNE 23, 1989. THIS DOCUMENT WAS SECRETLY MARKED BY VERN JOHNSON AND RECEIVED BY WAYNE B. BLACK ON AUGUST 24, 1990. (THIS DOCUMENT IS NOT BEING PRODUCED BECAUSE IT IS SUBJECT TO THE ATTORNEY-CLIENT PRIVILEGE, WHICH ALYESKA INVOKES.)

39. LEGAL MEMO TO ROBERT S. WARREN DATED JUNE 29, 1989. THIS DOCUMENT WAS SECRETLY MARKED BY VERN JOHNSON AND RECEIVED BY WAYNE B. BLACK ON AUGUST 24, 1990. (THIS DOCUMENT IS NOT BEING PRODUCED BECAUSE IT IS SUBJECT TO THE ATTORNEY-CLIENT PRIVILEGE, WHICH ALYESKA INVOKES.)

40. LEGAL MEMO TO ROBERT S. WARREN DATED JUNE 25, 1989. THIS DOCUMENT WAS SECRETLY MARKED BY VERN JOHNSON AND RECEIVED BY WAYNE B. BLACK ON AUGUST 24, 1990. (THIS DOCUMENT IS NOT BEING PRODUCED BECAUSE IT IS SUBJECT TO THE ATTORNEY-CLIENT PRIVILEGE, WHICH ALYESKA INVOKES.)

41. DOCUMENTS GIVEN TO SHERREE RICH BY CHARLES HAMEL ON AUGUST 24, 1990, REGARDING NPDES PERMITS, LETTER FROM HAROLD GREEN, CHIEF WATER PERMITS AND COMPLIANCE BRANCH OF EPA, REGION TEN NOTICE, AUTHORIZATION TO DISCHARGE UNDER NPDES, DRAFT OF NPDES PERMIT NUMBER AK-002324-8 AND NOTE TO CHARLES HAMEL FROM KERNIE SCHUR EPA REGIONAL TEN WITH ATTACHMENTS. THIS EXHIBIT WAS FEDERAL EXPRESSED FROM SHERREE RICH TO SID OFFICES AND RECEIVED BY WAYNE BLACK.

42. FOLDER LABELED 427-PROJECT VOLUME 1, CONTAINING FILES ON DANIEL LAWN, INFOTRAK, CHARLES HAMEL, GERALD DAVIS, ALYESKA INVESTIGATIVE FILE, ALYESKA COMPANY ROSTER, ALYESKA COMPANY POLICY, KENNETH ADAMS, AIRFARE FILE, AND CORRESPONDENCE FROM ALYESKA. (TWO DOCUMENTS IN THIS FOLDER ARE NOT BEING PRODUCED BECAUSE THEY ARE WITHIN THE ATTORNEY-CLIENT PRIVILEGE, WHICH ALYESKA ASSERTS.)

43. FOLDER LABELED 427-PROJECT VOLUME 2, CONTAINING PRELIMINARY BACKGROUND INFORMATION, PICTURES, RSJ NOTES, CG NOTES (EMPTY), AMC NOTES (EMPTY), NEW ARTICLES, MISCELLANEOUS INVOICES, MISCELLANEOUS CORRESPONDENCE, MANAGEMENT INFORMATION TECHNOLOGIES, LETTERS TO ALYESKA, LIBRARY OF CONGRESS COMPUTER PRINTOUT, COMPLAINT, ANCHORAGE DAILY NEWS. (SEVERAL DOCUMENTS IN THE MISCELLANEOUS CORRESPONDENCE FILE ARE NOT BEING PRODUCED BECAUSE THEY ARE WITHIN THE ATTORNEY-CLIENT PRIVILEGE, WHICH ALYESKA ASSERTS.)

## BOX 3

44. FOLDER LABELED 427-PROJECT VOLUME 3, CONTAINING FILES NAMED AS FOLLOWS: ROBERT SCOTT, TEMPORARY FILE #427, TRAINING MATERIAL, UC SEMINAR HANDOUTS, VIRGINIA PRIVATE SECURITY LAW, INTEROFFICE MEMOS, INDUSTRY UPDATES, THE ECOLIT GROUP FILE, AND VIRGINIA OFFICE FOLDER (EMPTY).

45. FOLDER, NO LABEL, CONTAINING FILES GC EXPENSE FILE, RSJ EXPENSE FILE, WBB EXPENSE FILE, SHERREE RICH EXPENSE REPORTS, ADRIANE CAPUTI EXPENSE REPORT, VERN JOHNSON EXPENSE REPORT, RL EXPENSE FILE, SHERREE RICH.

46. FOLDER CONTAINING FILES 427 MCI (EMPTY), 427 BRICKELL GROVE REALTY RENT SUITE 100-H, 427 ADVANCE STUBS OTHER RECEIPTS, 427 NEWSPAPER ARTICLES (EMPTY), 427 NOTES AND ASSIGNMENTS, 427 MESSAGES (EMPTY), 427 STATIONERY, 427 ANSWERING MACHINE CALLS, 427 SOUTHERN BELL.

47. FOLDER CONTAINING FILES REPORT OF INVESTIGATIONS, THE ECOLIT GROUP WASHINGTON OFFICE, TRUSTEE FOR ALASKA, WASHINGTON, D.C., 427 FACSIMILE MEMOS TO CLIENT AND MISCELLANEOUS ITEMS INCLUDING AN ANSWERING MACHINE CASSETTE DATED AUGUST 15, 1990.

48. FOLDER CONTAINING CASSETTE TAPES AND TRANSCRIPTIONS.

49. FOLDER CONTAINING CASSETTE TAPES AND TRANSCRIPTIONS.

## BOX 4

50. FOLDER CONTAINING CASSETTE TAPES AND TRANSCRIPTIONS.

51. FOLDER CONTAINING TELEPHONE TOLL RECORDS AND TELEPHONE CALLS.

52. FOLDER CONTAINING MEMORANDA TO ROBERT S. WARREN, AND TO THE LEGAL SUBCOMMITTEE MEMBERS. (THESE DOCUMENTS ARE NOT BEING PRODUCED BECAUSE THEY ARE SUBJECT TO THE ATTORNEY-CLIENT PRIVILEGE, WHICH ALYESKA INVOKES.)

53. FOLDER CONTAINING REPORT OF INVESTIGATIONS MATERIAL . THIS FOLDER CONTAINS MATERIAL DUPLICATIVE IN IN PART OF THE REPORT OF INVESTIGATIONS MATERIAL FOUND IN BOX 5. (A PORTION OF THE MATERIAL IN THIS FOLDER IS NOT BEING PRODUCED BECAUSE IT IS SUBJECT TO THE ATTORNEY-CLIENT PRIVILEGE, WHICH ALYESKA INVOKES.)

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## BOX 5

54. ALYESKA PAYMENT RECORDS RE: INVESTIGATION, PARTIALLY MASKED TO EXCLUDE INFORMATION RE: SERVICES UNRELATED TO INVESTIGATION.

55. WACKENHUT PAYMENT RECORDS RE: INVESTIGATION, PARTIALLY MASKED TO EXCLUDE INFORMATION RE: SERVICES UNRELATED TO INVESTIGATION.

56. HANDWRITTEN MEMORANDUM RE: INTERVIEW OF MS. CONTRERAS, JUNE 20, 1991.

57. EXPENSE REIMBURSEMENT FORMS FOR G. MUGARRA.

58. MISCELLANEOUS GROUP OF ADDITIONAL INVESTIGATIVE REPORTS AND MEMORANDA.

59. MINUTES OF TAPS OWNER COMMITTEE MEETINGS OF SEPTEMBER 25, 1990 IN DENVER, COLORADO AND OCTOBER 3, 1990 IN RANCHO LA COSTA, CALIFORNIA. (PORTIONS OF THESE MINUTES HAVE BEEN MASKED TO DELETE INFORMATION WHICH IS WITHIN THE ATTORNEY-CLIENT PRIVILEGE, WHICH ALYESKA INVOKES.)

60. COPY OF INVESTIGATIVE NOTEBOOK CONTAINING INVESTIGATIVE REPORTS AND RELATED MATERIALS. (A PORTION OF THE MATERIAL IN THIS FOLDER IS NOT BEING PRODUCED BECAUSE IT IS SUBJECT TO THE ATTORNEY-CLIENT PRIVILEGE, WHICH ALYESKA INVOKES.)

61. EXPENSE REIMBURSEMENT AND DAILY TIME REPORTS FOR VARIOUS WACKENHUT EMPLOYEES; CHECKBOOK, EXPENSE LISTING AND OTHER DOCUMENTS RE: ECOLIT VIRGINIA AND FLORIDA OFFICES. (PORTIONS OF THESE RECORDS HAVE BEEN MASKED TO EXCLUDE MATERIAL RELATING TO INVESTIGATIONS AND OTHER MATTERS UNRELATED TO INVESTIGATION 427, THE NUMBER ASSIGNED TO IDENTIFY WACKENHUT'S INVESTIGATION ON BEHALF OF ALYESKA.)

## BOX 6

64. DAILY TIME REPORTS FOR VARIOUS WACKENHUT EMPLOYEES AND MISCELLANEOUS MATERIALS FROM WACKENHUT'S FILES. (PORTIONS OF THESE RECORDS HAVE BEEN MASKED TO EXCLUDE MATERIAL RELATING TO INVESTIGATIONS AND OTHER MATTERS UNRELATED TO INVESTIGATION 427, THE NUMBER ASSIGNED TO IDENTIFY WACKENHUT'S INVESTIGATION ON BEHALF OF ALYESKA.)

65. THREE PIECES OF CORRESPONDENCE FROM RICHEY, MUNROE TO WAYNE BLACK.

GEORGE MILLER CALIFORNIA CHAIRMAN
PHILIP R SHARP INDIANA
EDWARD J MARKEY MASSACHUSETTS
AUSTIN J MURPHY PENNSYLVANIA
NICK JOE RAHALL II WEST VIRGINIA
BRUCE F VENTO MINNESOTA
PAT WILLIAMS MONTANA
BEVERLY B BYRON MARYLAND
RON DE LUGO VIRGIN ISLANDS
SAM GEJDENSON CONNECTICUT
PETER H KOSTMAYER PENNSYLVANIA
RICHARD H LEHMAN CALIFORNIA
BILL RICHARDSON NEW MEXICO
GEORGE (BUDDY) DARDEN GEORGIA
PETER J VISCLOSKY INDIANA
JAIME B FUSTER PUERTO RICO
BRUCE A MORRISON CONNECTICUT
MEL LEVINE CALIFORNIA
WAYNE OWENS UTAH
JOHN LEWIS GEORGIA
BEN NIGHTHORSE CAMPBELL COLORADO
PETER A DEFAZIO OREGON
ENI F H FALEOMAVAEGA AMERICAN SAMOA
TIM JOHNSON SOUTH DAKOTA
CHARLES E SCHUMER NEW YORK
JIM JONTZ INDIANA
PETER HOAGLAND NEBRASKA
NORMAN JOHNSTON FLORIDA
LARRY LAROCCO IDAHO

U.S. House of Representatives
Committee on
Interior and Insular Affairs
Washington, DC 20515-6201

DON YOUNG ALASKA
RANKING REPUBLICAN MEMBER
ROBERT J LAGOMARSINO CALIFORNIA
RON MARLENEE MONTANA
JAMES V HANSEN UTAH
BARBARA F VUCANOVICH NEVADA
BEN BLAZ GUAM
JOHN J RHODES III ARIZONA
ELTON GALLEGLY CALIFORNIA
ROBERT F SMITH OREGON
CRAIG THOMAS WYOMING
JOHN J DUNCAN JR TENNESSEE
RICHARD T SCHULZE PENNSYLVANIA
JOEL HEFLEY COLORADO
CHARLES H TAYLOR NORTH CAROLINA
JOHN T DOOLITTLE CALIFORNIA
WAYNE ALLARD COLORADO
RICHARD H BAKER LOUISIANA

DANIEL P BEARD
STAFF DIRECTOR
RICHARD MELTZER
GENERAL COUNSEL
DANIEL VAL KISH
REPUBLICAN STAFF DIRECTOR

September 18, 1991

VIA TELECOPIER AND FEDERAL EXPRESS

David W. Marquez, Esq.
General Counsel
Alyeska Pipeline Service Company
1835 South Bragaw Street
Anchorage, Alaska 99512

Dear Mr. Marquez:

Thank you for the materials delivered by Roger Staiger which include Alyeska's "privileged document index," its marked-up set of redacted documents, and additional time records for Wackenhut SID employees. I am also in receipt of a copy of your September 17, 1991 letter to Chairman Miller.

There are several documents listed in Alyeska's "privileged document index" which do not appear to fall within the scope of the attorney-client privilege.[1]

1. Document 413210-413211, an August 21, 1990 memorandum from Wayne Black to Pat Wellington re: "Hamel's Allegations of General Pollution," has been partially redacted. The redacted portion is described as reflecting "advice sought from counsel re aspects of investigation." However, the document itself has nothing to do with legal advice. The redacted portion, which consists only of one sentence, is at the end of a paragraph which refers to Wellington's and Black's decision to "follow through" on allegations made by Hamel.

2. Document 413355, a memorandum from Wayne Black to Pat Wellington dated November 6 and 7, 1990, has been partially redacted. The redacted portion is described as "summarizing interviews of Wackenhut personnel by counsel for Alyeska and Owners' Committee." As you know, the attorney-client privilege

[1] This letter does not address and should not be construed to waive any future assertion regarding the applicability of the attorney-client privilege to Congressional inquiries.

applies to communications between an attorney and his or her client. However, the communications referred to in this document were between Wackenhut employees and attorneys who were not their counsel. Nor does this document constitute "attorney work product," as it was not prepared "in anticipation of litigation." In any event, while an attorney's work product may enjoy a limited privilege from disclosure in the context of pretrial discovery in a law suit, it was not intended to apply in the context of a Congressional inquiry.

3. Document 414021-414023, a memorandum from Wayne Black to Pat Wellington dated August 16, 1990, has been partially redacted. The redacted portion is described as reflecting "advice of counsel re conduct of investigation." However, the document is unrelated to legal advice. The redacted phrase occurs at the end of a sentence regarding an agreement between Wayne Black and Charles Hamel.

4. Document 445021-445026, a memorandum from Wayne Black to Pat Wellington dated September 19, 1990, is not listed on Alyeska's "privileged document index." However, page six of the memorandum contains a gap. It is not clear whether that gap reflects information which has been redacted from the document. There does not appear to be any basis for claiming privilege with regard to any portion of this memorandum.

Please provide the Committee with the complete, unredacted documents discussed above on or before September 20, 1991.

I understand from your September 17 letter to Chairman Miller, that Alyeska believes its production of documents to the Committee to be substantially complete. We appreciate your efforts to coordinate the production of documents from several sources. However, there are certain categories of documents which we have not received and which are not addressed in your letter.

1. Invoices from and records of payment to Wackenhut for case 427 investigative services. Your letter to Chairman Miller states that neither Alyeska nor Wackenhut have yet located copies of the detailed billings for case 427 investigative services. You also state that both Alyeska and Wackenhut will further search for those detailed billings. Your continued effort to locate the billings is appreciated, as we have reason to believe they still exist. In addition, your letter makes no reference to records of payment for case 427 services. While we have received what appear to be pages from a general ledger showing entries for 427 receipts, we have not received records of payments from Alyeska, American Guard and Alert, Wackenhut of Alaska, and/or

any other entity which may have made payments for case 427 services.

2. Daily Activity Reports. We have received no Daily Activity Reports for Wayne Black.

3. Personnel files. We are aware of the existence of documents regarding case 427, including but not limited to memoranda regarding work assignments, which were kept in the Wackenhut personnel files of the employees assigned to work on case 427. We have not been provided with copies of any relevant portions of those personnel files.

4. Personal files. We understand that several individuals, including Wayne Black, kept "personal" files which include memoranda on certain activities relating to case 427, but which have not been produced to the Committee.

5. Reports of contacts with Hamel. We are aware that Alyeska required Wayne Black to report to Pat Wellington in writing regarding each and every contact with Hamel. However, for example, the Committee has not been provided with memoranda regarding the lengthy conversations Black had with Hamel on August 30, 1990.

6. Owner's Committee documents. Alyeska has provided the Committee with a few pages of attorney notes and two short memoranda representing minutes of two Owner's Committee meetings at which case 427 was discussed. We have not received copies of materials distributed at the meeting or any record of a discussion regarding the reasons why the Owner's Committee voted to discontinue surveillance activities.[2]

7. Documents regarding Congressman George Miller. We are aware that Wayne Black was interested in obtaining information about Congressman Miller. Some of the documents provided to the Committee contain orders from Black to a SID employee to obtain as much information as possible about Congressman Miller and the

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[2] Chairman Miller's August 7, 1991 request for documents asked for "all documents and records. . . relating to any investigation or surveillance of Mr. Charles Hamel. . ." That request is broad enough to include all documents or other records distributed at or reflecting the discussion at any Owner's Committee meeting relating <u>in any way</u> to case 427, Charles Hamel, or anyone from whom Mr. Hamel may have received information or to whom he may have provided information.

Interior Committee. Yet, there is no such information in the files provided to us.

8. Documents regarding communications between Pat Wellington and his superiors at Alyeska. While the documents produced contain numerous communications between Wayne Black and Pat Wellington, there are no memoranda, telephone messages, notes or other record of Wellington's communications with Mr. Hermiller or any other Alyeska or Owner Company official.

9. We also note that a number of files provided to the Committee are empty, even though no claim of privilege has been made with respect to documents which had been contained in the file. In addition, several files contain only one document and, thus, appear to be incomplete. Those include files regarding individuals on whom we believe Wackenhut also collected information such as credit reports, phone tolls and trash.

Please provide the Committee with the above-referenced documents on or before September 20, 1991.

This letter is not intended as a complete statement of all documents which the Committee may determine have not been provided to it by Wackenhut, Alyeska and/or any other person to whom the Chairman addressed his August 7, 1991 requests. We are continuing our review of the documents. Should we become aware of additional documents which have not been provided, we will contact you at that time.

Please feel free to call me should you have any questions regarding this letter or the production of documents.

Sincerely,

Linda J. Chase
Chief Counsel - Investigations

cc: James P. Rowan, Esq.
Roger Staiger, Jr.
Richard Meltzer, Esq.
David Dye, Esq.

Alyeska pipeline SERVICE COMPANY

September 19, 1991

The Honorable George Miller
Chairman, Committee on Interior
and Insular Affairs
U. S. House of Representatives
Washington, D. C. 20515-6201

Dear Chairman Miller:

The purpose of this letter is to ask for the return of one audiotape and a portion of one document, both subject to the attorney-privilege, which were inadvertently produced to the Committee on September 6, 1991 in response to your letter to Mr. Hermiller dated August 7, 1991.

Following the submission to the Committee on September 6, we discovered that Folder 49 contained a recording of the audio portion of the videotape in Folder 23. Prior to submitting the videotape I had directed that the tape be partially "masked" by deleting those portions of the audio track which reveal the nature of several privileged memoranda, prepared by outside counsel to Alyeska, which were among the documents copied by Wackenhut personnel from other copies obtained from and returned to Mr. Charles Hamel. Alyeska believes that the documents in the possession of Mr. Hamel were stolen or otherwise obtained in an unlawful fashion from the files of Alyeska.

The production of the audio tape containing certain information which had been masked from the audio portion of the videotape was entirely inadvertent. When the error was discovered, Mr. Staiger of Alyeska, who was involved in the original delivery of the materials to your Committee, was asked to request the return of the inadvertently produced tape, and he did so on Saturday, September 7, the day following the production.

We have since furnished your staff a masked copy of the audio tape which contains deletions from the audio track corresponding to the deletions made from the audio track on the videotape in Exhibit 23. I request that the tape mistakenly produced be returned to Mr. Staiger as my representative.

Members of the minority were not furnished a copy of the audio tape in question; the fact that one of the tapes in Folder 49 contained a tape from which privileged portions not been

EXHIBIT 131

deleted was discovered before the production of any tapes to the minority. The minority therefore has an audiotape identical to the substitute tape furnished to your staff.

The second item which was inadvertently produced was a portion of the document which bears the number range F2R413417-F2R413437. Pages F2R41427-F2R413436 in the middle of this document were inadvertently not identified as privileged in our haste to get the document production completed by the September 6 date requested in your letter of August 7, 1991. This document is a legal opinion furnished to Alyeska by a law firm in Miami which was engaged to provide advice relating to the investigation, and is marked on its face

PRIVILEGED ATTORNEY/CLIENT INFORMATION
PRIVILEGED WORK PRODUCT INFORMATION
CONFIDENTIAL AND PERSONAL

Two other copies of this same memorandum which appeared separately in the boxes of materials furnished to you were in fact withheld because of the attorney-client privilege. These copies appeared in the number sequence at F2R445415-445424 and F2R413355-413356. Obviously, had we identified that a copy of the memorandum was contained within the other document that portion of the other document would have been redacted, just as we redacted pages from other documents where the particular pages contained privileged or work product information.

These pages were also in the duplicate set of materials furnished to the minority on September 7, 1991, and I am by separate letter asking Congressman Don Young to return these pages to Alyeska.

I would appreciate the Committee's prompt attention to this request. Alyeska has been trying very hard to comply with the schedules suggested by you with respect to producing information, and the inadvertent production of these two items was directly related to the pace of efforts involved in getting the major production of five boxes to your Committee by September 6.

Sincerely yours,

David W. Marquez
General Counsel

cc: Honorable Don Young
Richard Meltzer, Esq.

GEORGE MILLER, CALIFORNIA, CHAIRMAN
...
MAT MARTINEZ, CALIFORNIA
...
BEVERLY B. BYRON, MARYLAND
...
SAM GEJDENSON, CONNECTICUT
...
BILL RICHARDSON, NEW MEXICO
...
PETER A. DEFAZIO, OREGON
...
JAIME B. FUSTER, PUERTO RICO
...
WAYNE OWENS, UTAH
...
BOB MONTGOMERY, CAMPBELL, COLORADO
...
TED WEISS, NEW YORK
...
PETER J. VISCLOSKY, INDIANA
...
HARRY JOHNSTON, FLORIDA
LARRY LAROCCO, IDAHO

# U. S. House of Representatives
## Committee on
## Interior and Insular Affairs
Washington, DC 20515-6201

DON YOUNG, ALASKA
RANKING REPUBLICAN MEMBER
...
BARBARA F. VUCANOVICH, NEVADA
...
JOHN J. DUNCAN, JR., TENNESSEE
...
JOEL HEFLEY, COLORADO
...
JOHN T. DOOLITTLE, CALIFORNIA
...
HASTINGS KEITH, FLORIDA
...
RICHARD H. BAKER, LOUISIANA

DANIEL P. BEARD
STAFF DIRECTOR
...
GENERAL COUNSEL
...
REPUBLICAN STAFF DIRECTOR

September 26, 1991

**BY FEDERAL EXPRESS AND TELECOPIER**

David W. Marquez, Esq.
General Counsel
Alyeska Pipeline Service Company
1835 South Bragaw Street
Anchorage, Alaska 99512

Dear Mr. Marquez:

Chairman Miller has asked me to respond to your letter to him dated September 19, 1991.

We understand that Alyeska seeks the return of an audiotape and a May 22, 1990 legal opinion letter which were produced to the Committee in response to Chairman Miller's August 7, 1991 request for documents. Alyeska claims that these materials contain privileged attorney-client communications and were produced to the Committee inadvertently.

We do not agree that the attorney-client or any privilege applies to these materials or that the Committee is obligated to return them to you. The attorney-client privilege protects from disclosure facts communicated in secret by a client to his attorney. It does not appear that either the audiotape or the letter contain such secret factual communications.

You have described the audiotape in your letter as revealing "the nature of several privileged memoranda, prepared by outside counsel to Alyeska." Alyeska's Privileged Document Index lists the audiotape as one of Wayne Black describing "subjects on which legal advice was sought and rendered." Neither of those descriptions even suggests that the audiotape contains facts that Alyeska communicated to its attorneys in secret. Furthermore, the audiotape was played on NBC News in Miami and can not now be considered secret.

You have described the letter as "a legal opinion furnished to Alyeska by a law firm in Miami. . ." However, as the first page of the letter makes clear, the facts upon which the opinion is based were not provided to the attorneys by their client, Alyeska, but by Wayne Black, who also appears to have received a copy of the letter. In addition, the facts contained in the

letter, and the letter itself, are not Alyeska secrets, as they appeared or were referred to in the Anchorage Times on September 13, 1991.

Moreover, even if the audiotape and the letter could be viewed as privileged, the attorney-client privilege is a matter of judicial policy applicable in courts of law and has not been adopted by Congress as a limit to its investigative authority.[1]

> A witness is, however, bound to answer all questions which the committee sees fit to put to him, and cannot excuse himself, for example, on the ground that he may thereby subject himself to a civil action, or because he has taken an oath not to disclose the matter about which he is required to testify, or because the matter was a privileged communication to him, as where a solicitor is called upon to disclose the secrets of his client ... some of which would be sufficient grounds of excuse in a court of law.

Erskine May's Treatise at 746-747 (20th ed. 1983).[2] Thus, Alyeska may not rely on the attorney-client privilege to protect either the audiotape or the May 22 letter from production to the Committee.

However, relying on Alyeska's description of the audiotape, it does not appear to be directly relevant to the matters at issue in this investigation of covert surveillance activities. Therefore, notwithstanding our disagreement with you regarding the applicability of the attorney-client privilege, we are returning the audiotape to you and have enclosed it with this letter. However, we have retained the May 22 letter as part of the Committee Record.

Very truly yours,

Richard Meltzer

Richard Meltzer
General Counsel

Enclosure
cc: Honorable Don Young
David Dye, Esq.

---

[1] See, Attorney-Client Privilege, Memoranda Opinions of the American Law Division, Library of Congress, Committee Print 98-I (98th Cong. June 1983); see also, Proceedings Against Ralph Bernstein and Joseph Bernstein. H.Rept. No. 99-462, 99th Cong., 2d Sess. 13 and Notes 12-14 (1986).

[2] May's Treatise has been relied upon by the U.S. Supreme Court as an authoritative guide to congressional investigatory authority. See, e.g., McGrain v. Daugherty, 273 U.S. 135, 161 and note 15 (1927).

Alyeska pipeline SERVICE COMPANY

[illegible] BRAGAW STREET ANCHORAGE ALASKA [illegible]

September 23, 1991

Linda Chase, Esq.
House Interior and Insular
Affairs Committee
U. S. House of Representatives
Washington, D. C. 20515-6201

Dear Ms. Chase:

I am responding to your letter of September 18, 1991 to me in which you raised a number of questions with respect to the materials that have been produced to the Committee in response to Chairman Miller's letter of August 7, 1991. I will address the items mentioned in your letter in the order in which you raised them. Let me first address the four privilege-related questions that you raised.

1. You asked about document pages numbered F2R413210-413211. The only portion of these pages that was masked was a single sentence, which is the last sentence on document page F2R413210. That sentence reports the advice that had been given by outside counsel with respect to the subject matter covered in the last paragraph on that page. Alyeska believes that single sentence is subject to an appropriate claim of attorney client privilege.

2. With respect to document F2R413355, the masked portion consists of the first and second paragraphs on the page. Those paragraphs reveal the nature of inquiries being made by outside counsel from the law firm of Paul, Hastings, Janofsky & Walker of various Wackenhut employees, contractors or consultants. The material in these paragraphs relates only to the work done by that law firm, which was hired by the owners following the shut down of the investigation to provide them with legal advice. There is no information in these two paragraphs with respect to the investigation itself. In addition to the paragraphs of text, one line of the title is deleted. Upon review, we believe that the deleted line of the title should not have been redacted, as it only shows the identification of the individuals with whom the investigation was reviewed. The deleced line reads as follows: "Joel F. McIntyre and Dorothy Kirkley." Both of these individuals are partners in the Paul, Hastings firm. With that modification, we believe the redacted portion is work product. I have attached a revised redacted document, F2R415673.

EXHIBIT 132

3. You asked also about document F2R414021-414023. The only masking that occurred on this document is the last portion of the last sentence on page 2. Upon review, we have concluded that we masked more than what should have been masked on this document. Specifically, the last word that appears before the redaction is "agreement." The next three words are "and make payments." The remainder of the sentence, however, does reflect advice provided by outside legal counsel. We believe that this portion was properly redacted as privileged. The revised redacted document, F2R415673-415676, is attached.

4. With respect to document F2R445021-445026, we can understand why you might believe that there was a gap in the document, as the last page of that document (F2R445026), in the sixth line of text, appears to have a word omitted, and there is a gap of what appears to be a whole line after the words "to the press" in line seven, between line seven and line eight of the text. It is our belief that this was simply some form of typing error. No redaction has occurred with respect to this document; you have exactly the same version as was originally furnished to us by Wackenhut. We have also examined the computer file regarding this document. If you wish to look at the computer files, you should take disk 1 of the 3-1/2 inch computer disks we produced, and put it into an IBM-compatible computer operating with WordPerfect software. After entering the WordPerfect program, you should press F-5 to obtain a list of files and look for the entry "427.A26." (You will note that this designation appears at the bottom left of the last page of this document.) This is the file name in the Wackenhut word processing system. Move the highlight bar to this entry and press "1" to bring the file up on the screen. The computerized version of this file has the same omissions. We have not been able to find any indication that there is another version of this document in existence that has information beyond what is on the copies that you and we possess.

Let me now address the nine issues relating to subjects other than privilege and work product that were in your letter. Again, I will deal with them in the same sequence as they appear in your letter.

Item 1. We understand your concern about locating records relating to payments for investigative services. As I indicated in my letter of September 17, 1991 to Chairman Miller, we have been diligently pursuing the subject of the so called "detailed" billings. We have discussed that on several occasions with Wackenhut officials who have conducted searches for these materials, thus far to no avail. Also, we have continued our efforts to locate the versions of these billings that were once in

the files of Pat Wellington at Alyeska. Both Wackenhut officials and Mr. Wellington confirm that such detailed billing records did exist. We believe that the format involves a listing of hours by each individual involved in the investigation for whom hourly rates were charged, coupled with a description of their activities during the billing period, typically a month. We will continue to press our efforts to locate these records and they will be furnished to you immediately if we are able to find them.

You also indicated that my letter made no reference to records of payments for case 427 services, and indicated that you have not received records of payments relating to case 427. We have in fact furnished you copies of payment records relating to investigation 427, but I recognize that it may be less than immediately apparent where entries relating to investigation 427 occur.

I refer you to exhibit 54, beginning with page F2R444500. That page and the four pages which follow are from the accounts payable files of Alyeska. Page F2R444502 shows a line item entry with the number "10895." This line describes the amount paid for investigative services relating to investigation 427, in this case for the period indicated of 4/19/90 through 5/02/90. The amount of $21,063.71 is included in the total payments to American Guard and Alert, Inc. for that period. The total payment to American Guard & Alert, Inc. is shown in handwriting in the rubber stamp box in the lower right corner of F2R444500; this amount is $452,075.09. American Guard and Alert, Inc. submits a total billing to Alyeska in each month (including guard services), and the amount that is attributable to investigation 427 then is paid as an intercorporate transfer to Wackenhut of Alaska. You will find similar collections of documents for the ensuing months. If you have any difficulty reconstructing the payment history, we will provide additional assistance. I have had prepared a one page summary of the payments to Wackenhut for investigation 427, taken from these records, which may be of assistance to you. That compilation is attached.

You will find similar records in exhibit 55. The distinction here is that the records in exhibit 55 were found in Wackenhut's files, while those in exhibit 54 were found in Alyeska's records. Again, you can identify the amount attributable to the investigation on the page bearing the line item "10895." I refer you, for example, to page F2R444592, which shows the same $21,063.71 as was shown in the Alyeska version of the billing records. Again, there are other similar compilations on a month by month basis in exhibit 55 for the ensuing months.

Item 2. You are correct in noting that you have received no daily activity reports for Wayne Black. We have pursued this with Wackenhut, as we also noticed this omission. The explanation is that Wayne Black, unlike the other persons assigned to the investigation for whom hourly rates were charged, did not file daily activity reports. He did file a small form on which he recorded his time so that it would be captured in the computer billing system. We have asked Wackenhut for copies of all these forms back as they relate to investigation 427, and expect to be able to deliver this material to you as early as Tuesday, September 24.

Item 3. Wackenhut advises us that they have reviewed all relevant personnel files of employees relating to the 427 investigation. Wackenhut has told us that they it not find any information of the kind referred to in paragraph 3 of your letter.

Item 4. We have not withheld any such files. Wackenhut recently located one file maintained by Wayne Black that included documents relating to one of the investigators, Ricki Jacobson. Those documents, F2R415677-415683, are attached. With respect to Mr. Black, he also has indicated that he did keep personal files in the form of handwritten notes on an 8-1/2 by 11 pad, and would have expected about "two legal pads" of such notes. However, those records are not in the material turned over to Alyeska by Wackenhut. We have given you everything we have that Wackenhut has furnished to Alyeska, except as noted in the privilege list and in the list of redactions based on relevancy and the Florida investigation statute, Fla. Stat. Ann. § 493.6119. We have asked Wackenhut to renew a search for Mr. Black's handwritten notes, and will advise you promptly if those notes are found.

Item 5. Regarding the conversations Black had with Hamel on August 30, the lengthy conversation was videotaped and the audio portion of that tape and transcript may be found in Exhibit 49, Transcription 30-1, F2R411030-411058. As we understand it, the only other conversation between them was by telephone from Black at Washington National Airport to Hamel at home. This is the subject of a memo from Black to Wellington dated August 30, 1990. This call was recorded; the tape is found in Exhibit 32. We do not have any information with respect to conversations on August 30 that has not been furnished to the Committee.

Item 6. You asked why you have not received more materials relating to the Owners Committee. The meeting of September 26, 1990 was not a regularly scheduled Owners Committee meeting, and was not attended by representatives of all owners. It was a meeting called on short notice specifically for the purpose of advising the three major owners of the existence and nature of the

investigation that had been conducted by Wackenhut. No agendas or other handouts were prepared for this meeting; the presentation was entirely oral. The only material made available to those present was selected video tapes, portions of which were shown to the attendees at this meeting. The only material in the nature of notes regarding this meeting has already been furnished to you in the form of the "two short memorandums" that you referred to. The only other records that exist with respect to this meeting are notes taken by attorneys present for the purpose of furnishing legal advice to their respective companies. These handwritten notes are listed on the privileged list at the following locations: page 9, last item; page 10, first item.

The October 2 meeting was a regularly scheduled Owners Committee meeting. The meeting was held in two parts. The regular meeting had an advance agenda, but no reference was made during this portion of the meeting or on the agenda to the Wackenhut investigation. Such meetings have attendees other than the Owners Committee members and counsel. Prior to the regular meeting, an executive session of the Owners Committee was held, with the Chairman of the Legal Subcommittee present, along with Mr. Hermiller and Alfred Smith, then General Counsel of Alyeska. Minutes of such executive sessions are not normally prepared. However, at this particular meeting the Chairman of the Legal Subcommittee was asked to make a record of actions taken. These are documents F2R444981 through F2R444983. The only other notes of which we are aware are notes taken by the Chairman of The Legal Subcommittee for the purpose of furnishing legal advice to his company. Those notes, which were located last week, will be added to the privilege index. There are no other minutes or notes of which we are aware. There is no specific, written statement of reasons for the action taken by the Owners Committee.

Item 7. You are correct in saying that a SID employee, Ricki Jacobson, was asked to find out general information about the Committee and Chairman Miller. There was no investigation of any kind, however. The research consisted of using public sources, such as the National Journal and the Congressional Quarterly, as indicated in Black's memo to Jacobson dated May 18, 1991. This was strictly a library research project. This explains, I think, why there is no body of material in the Wackenhut files on this subject. It would appear that any information obtained was not preserved. There are two documents discussing hearings concerned with offshore drilling which reflects some publicly available information about the work of the Committee. See F2R414256-414257 and F2R414338-414340.

Item 8. Mr. Wellington and Mr. Hermiller did not communicate in writing about the investigation, as it was their practice to discuss the matter by telephone or in face-to-face meetings. Mr. Wellington did not communicate with owner company personnel about the investigation. Keep in mind that the Owners Committee was unaware of the investigation prior to September 25, 1990, and hence there would have been no occasion for such communications. Communications about terminating the investigation were between owner company personnel and Mr. Hermiller or Mr. Smith. Mr. Wellington was the recipient of the instructions from the Owners Committee regarding the termination of the investigation.

Item 9. You are correct that several files are empty. We are advised that it is Mr. Black's standard practice to create a system of file folders at the beginning of an investigation. Initially, all would be empty, and it appears that some folders never had material placed in them. We furnished the empty folders because that is exactly how we received the materials from Wackenhut, and we wanted the Committee to be aware that there were empty folders. As for the folders containing only one or a few items, we have reproduced exactly what we received from Wackenhut, and nothing was removed. We are not aware of the existence of any additional information that was in these folders. It does not appear that Mr. Black's file system was rigidly adhered to by other personnel.

You did not mention -- but we have noted -- that there is a file listing contained in Exhibit 43, in a file labelled "Miscellaneous Correspondence." In cross checking the files listed there with the files for which folders were furnished to us by Wackenhut, we have noted that we did not receive folders for the following files shown on the listing:

1. Billing (Volume I, #6)
2. Graphics (Volume I, # 14)
3. Expense Reimbursement (Volume I, # 8)
4. WBB - Notes (Volume II, # 7)
5. RL - Notes (Volume II, # 11)

We have brought these possibly missing files to the attention of Wackenhut. The Wackenhut representatives were not able to explain why no files (or at least empty file folders) were produced for these items, but we have asked them to conduct a further search to see whether these files can be located. The billing file, in particular, would seem to have been the likely repository of the detailed billings discussed in Item 1 above.

I want to assure you that we are withholding no responsive materials developed during the course of the Wackenhut

investigation except what we have disclosed to the Committee as being withheld. We are as determined as you are to locate every item of information responsive to Chairman Miller's letter, and will continue to pursue every unresolved item with Wackenhut and, in the case of the billing files, within Alyeska.

Sincerely yours,

David W. Marquez
General Counsel

cc: Honorable Don Young w/o enc.
Daniel Meltzer, Esq.w/o enc.
David Dye, Esq. w/enc.

Alyeska pipeline SERVICE COMPANY

1667 K STREET N.W. SUITE 450 WASHINGTON D.C. 20006 TELEPHONE (202) 466-3696 FAX 466-3886

September 24, 1991

Linda Chase, Esquire
Committee on Interior and
Insular Affairs
U.S. House of Representatives
Washington, D.C. 20515-6201

Dear Ms. Chase:

David Marquez is traveling today and asked me to submit this supplement to our response to your letter of September 18, 1991 with respect to item 2, inquiring about daily activity reports for Wayne Black. As we stated in our September 23, 1991 response, Wackenhut has advised us that Mr. Black did not maintain reports detailing his activities on the same form used by others for whom hourly rates were charged.

As we also indicated in our September 23, 1991 letter, Mr. Black did record his time using a small form, and we have enclosed a sample of that form. As explained to us by Wackenhut, when Mr. Black completed one of these forms, the original, which included a short description of his activities, would be torn off and used as the basic information for billing purposes. In addition, under the short form there was a yellow full size journal sheet that recorded the first line only of the information on the short form. We have already submitted the vast majority of these small forms; they can be found in Exhibit 64. There appear to be a few journal entries for which we cannot locate the corresponding white forms. Our search for these forms is ongoing. Wackenhut also located the yellow journal forms. Copies of the pertinent portions of those yellow journal forms used to record Black's time on the 427 investigation are enclosed (Exhibit 67, documents F2R415684-415701).

Wackenhut redacted the copies of the documents we are producing. As with the other redacted documents submitted to the Committee, we have tried to indicate clearly the redacted portions on the face of the documents. We understand that the masked portions of the documents do not relate to the 427 investigation

and cannot be disclosed in accordance with the Florida statute regulating private investigatory agencies,

F.S.A. § 493.6119. We will furnish shortly a supplement to our "privilege" index, which will list these documents.

Sincerely yours,

Roger Staiger

cc: Honorable Don Young (w/o enc.)
Daniel Meltzer, Esq. (w/o enc.)
David Dye, Esq. (with enc.)

Subpena Duces Tecum

# By Authority of the House of Representatives of the Congress of the United States of America

*To* Alyeska Pipeline Service Company

You are hereby commanded to produce the things identified on the attached schedule before the House Committee on INTERIOR AND INSULAR AFFAIRS of the House of Representatives of the United States, of which the Hon. George Miller is chairman, by producing such things in Room 1324 of the Longworth Building, in the city of Washington, on October 4, 1991, at the hour of 9:30 a.m.

*To* any Committee staff member or United States Marshall

to serve and make return.

Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 26 day of September, 19 91

George Miller
*Chairman.*

Attest:

Donnald K. Anderson
*Clerk.*

EXHIBIT 134

Subpena for Alyeska Pipeline Service Company

before the Committee on the INTERIOR AND INSULAR AFFAIRS

Served on Mr. Roger Staiger, Jr., Alyeska Pipeline Service Company, 1667 K Street, N.W., Suite 450, Washington, D.C. 20026 by U.S. Mail and telecopier on September 27, 1991 by Linda Chase, a Committee staff member

House of Representatives

GPO: 1991 42-417 (m)

SCHEDULE OF THINGS TO BE PRODUCED

All documents, records, notes or other materials which discuss or otherwise relate to the conduct of any surveillance activities by Alyeska Pipeline Service Company ("Alyeska") or anyone as agent for Alyeska during the period from January 1990 through today, excepting documents, records, notes or other materials already produced to the Committee on or after September 6, 1991, and including but not limited to documents, records, notes or other materials regarding the following:

1. Covert activities with respect to Charles Hamel, any Member of the United States Congress, and/or the staff of any Committee of the United States Congress.

2. Communications between or among Alyeska (including any of its employees, directors, or officers) and any other person(s) (including Alyeska's Owner Companies, agents and attorneys and attorneys representing parties other than Alyeska) about the activities set forth in No. 1 above.

3. Communications between or among any Alyeska employees, officers or directors about the activities set forth in No. 1 above.

4. Invoices received from The Wackenhut Corporation or any of its divisions or subsidiaries for services rendered with respect to the activities set forth in No. 1 above.

5. Meetings on September 26, 1990 and October 2, 1990 attended by Alyeska, any of its Owner Companies, and attorneys for Alyeska or its Owner Companies.

6. Information collected about federal and state officials, environmental groups, Alyeska employees, and citizen activists.

**Subpena Duces Tecum**

# By Authority of the House of Representatives of the Congress of the United States of America

*To* The Wackenhut Corporation

You are hereby commanded to produce the things identified on the attached schedule before the House Committee on INTERIOR AND INSULAR AFFAIRS of the House of Representatives of the United States, of which the Hon. George Miller is chairman, by producing such things in Room 1324 of the Longworth Building, in the city of Washington, on October 4, 1991, at the hour of 9:30 a.m.

*To* Any committee staff member or United States Marshall

to serve and make return.

Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 26 day of September, 1991.

George Miller
*Chairman.*

Attest:

Jeanne L. Anderson
*Clerk.*

Subpena for The Wackenhut Corporation

before the Committee on the INTERIOR AND INSULAR AFFAIRS

Served on James Rowan, Esq., The Wackenhut Corporation, 1500 San Remo Avenue, Coral Gables, Florida 33146 by Federal Express and telecopier on September 27, 1991 by Linda Chase, a Committee staff member

House of Representatives

GPO: 1991 42-417 (m)

SCHEDULE OF THINGS THINGS TO BE PRODUCED

All documents, records, notes or other materials which discuss or otherwise relate to the conduct of any surveillance activities by The Wackenhut Corporation ("Wackenhut") as agent for Alyeska Pipeline Service Company ("Alyeska") or any Alyeska Owner Company during the period from January 1990 through today, excepting documents, records, notes or other materials already produced to the Committee on or after September 6, 1991, and including but not limited to documents, records, notes or other materials regarding the following:

1. Covert activities with respect to Charles Hamel, any Member of the United States Congress, and/or the staff of any Committee of the United States Congress.

2. Communications between or among Wackenhut (including any of its employees, directors, or officers) and any other person(s) (including Alyeska, its Owner Companies, or any attorneys) about the activities set forth in No. 1 above.

3. Communications between or among any Wackenhut employees, officers or directors about the activities set forth in No. 1 above.

4. Invoices prepared for Alyeska, American Guard and Alert, or any other person or entity for services rendered with respect to the activities set forth in No. 1 above, including but not limited to copies of invoices contained on computer disks and/or in 3-ring binders kept at any time in the office(s) or in the possession of any Wackenhut employee or agent, including Wayne Black, Rick Lund and/or John Mann.

5. Meetings with Alyeska and/or its Owner Companies regarding the activities and/or termination of the activities set forth in No. 1 above.

6. Information collected about federal and state officials, environmental groups, Alyeska employees, and citizen activists.

**Subpena Duces Tecum (Hearing)**

# By Authority of the House of Representatives of the Congress of the United States of America

*To* Wayne B. Black

You are hereby commanded to be and appear before the House Committee on Interior and Insular Affairs of the House of Representatives of the United States, of which the Hon. George Miller is chairman, in Room 1324 of the Longworth Building, in the city of Washington, on November 4, 1991, at the hour of 9:45 a.m., then and there to produce the things identified on the attached schedule and to testify touching matters of inquiry committed to said Committee; and you are not to depart without leave of said Committee.

*To* Any Committee Staff Member or U.S. Marshall

to serve and make return.

Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 9th day of October, 19 91

George Miller

*Chairman.*

Attest:

Donnald K. Anderson

*Clerk.*

Subpena for Wayne B. Black

before the Committee on the Interior and the Interior Affairs

Served on Larry A. Stumpf, Esq., Rubin Baum Levin Constant Friedman & Bilzin, 2500 Southeast Financial Center Miami, Florida 33131-2336 by Federal Express and telecopier on October 11, 1991 by Linda Chase, a Committee Staff Member

House of Representatives

GPO: 1991 42-418 (m)

SCHEDULE OF THINGS TO BE PRODUCED

All documents, records, notes or other materials which discuss or otherwise relate to the conduct of any surveillance activities by The Wackenhut Corporation ("Wackenhut") for Alyeska Pipeline Service Company ("Alyeska") or anyone as agent for Alyeska during the period from January 1990 through today, excepting documents, records, notes or other materials already produced to the Committee on or after September 6, 1991, and including but not limited to documents, records, notes or other materials regarding the following:

1. Covert activities with respect to Charles Hamel, any Member of the United States Congress, and/or the staff of any Committee of the United States Congress.

2. Communications between Wackenhut (including any of its agents, employees, directors, or officers) and any other person(s) about the activities set forth in No. 1 above.

3. Communications between or among any Wackenhut employees, officers or directors about the activities set forth in No. 1 above.

4. Invoices prepared by Wackenhut or any of its divisions or subsidiaries for services rendered with respect to the activities set forth in No. 1 above.

5. Meetings with regard to the activities set forth in No. 1 above which were attended by Wackenhut, Alyeska, and/or any of their directors, officers, agents, employees or related entities.

6. Information collected about federal and state officials, environmental groups, Alyeska employees, and citizen activists during the course of the activities set forth in No. 1 above.

7. Notes kept regarding the activities set forth in No. 1 above.

8. Audio and/or video tapes (and any transcripts thereof) prepared during the course of any activities relating to those set forth in No. 1 above.

Subpena Duces Tecum (Hearing)

# By Authority of the House of Representatives of the Congress of the United States of America

*To* Rick Lund

You are hereby commanded to be and appear before the House Committee on Interior and Insular Affairs of the House of Representatives of the United States, of which the Hon. George Miller is chairman, in Room 1324 of the Longworth Building, in the city of Washington, on November 4, 1991, at the hour of 9:45 a.m., then and there to produce the things identified on the attached schedule and to testify touching matters of inquiry committed to said Committee; and you are not to depart without leave of said Committee.

*To* Any Committee Staff Member or U.S. Marshall

to serve and make return.

Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 9th day of October 19 91

George Miller

*Chairman.*

Attest:

Donnald K. Anderson

*Clerk.*

Subpena for Rick Lund

before the Committee on the Interior and Insular Affairs

Served on Alan E. Weinstein, Esq., 1801 West Avenue, Miami Beach, Florida, 33139 by Federal Express and telecopier on October 11, 1991 by Linda Chase, a Committee Staff Member

House of Representatives

GPO: 1991 42-418 (m)

SCHEDULE OF THINGS TO BE PRODUCED

All documents, records, notes or other materials which discuss or otherwise relate to the conduct of any surveillance activities by The Wackenhut Corporation ("Wackenhut") for Alyeska Pipeline Service Company ("Alyeska") or anyone as agent for Alyeska during the period from January 1990 through today, excepting documents, records, notes or other materials already produced to the Committee on or after September 6, 1991, and including but not limited to documents, records, notes or other materials regarding the following:

1. Covert activities with respect to Charles Hamel, any Member of the United States Congress, and/or the staff of any Committee of the United States Congress.

2. Communications between Wackenhut (including any of its agents, employees, directors, or officers) and any other person(s) about the activities set forth in No. 1 above.

3. Communications between or among any Wackenhut employees, officers or directors about the activities set forth in No. 1 above.

4. Invoices prepared by Wackenhut or any of its divisions or subsidiaries for services rendered with respect to the activities set forth in No. 1 above.

5. Meetings with regard to the activities set forth in No. 1 above which were attended by Wackenhut, Alyeska, and/or any of their directors, officers, agents, employees or related entities.

6. Information collected about federal and state officials, environmental groups, Alyeska employees, and citizen activists during the course of the activities set forth in No. 1 above.

7. Notes kept regarding the activities set forth in No. 1 above.

8. Audio and/or video tapes (and any transcripts thereof) prepared during the course of any activities relating to those set forth in No. 1 above.

Subpena to Testify (Hearing)

# By Authority of the House of Representatives of the Congress of the United States of America

To Sherree Rich

You are hereby commanded to be and appear before the House Committee on Interior and Insular Affairs of the House of Representatives of the United States, of which the Hon. George Miller is chairman, in Room 1324 of the Longworth Building, in the city of Washington, on November 4, 1991, at the hour of 1:30 p.m., then and there to testify touching matters of inquiry committed to said Committee; and you are not to depart without leave of said Committee. You are hereby commanded to produce the things identified on the attached schedule.

To Any Committee Staff Member or U.S. Marshall

to serve and make return.

Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this ~~1st~~ day of October, 19 91

George Miller
Chairman.

Attest:

Donnald K. Anderson
Clerk.

Subpena for Sherree Rich

before the Committee on the Interior and Insular Affairs

Served on Billier Pirner Garde, Esq., Hardy, Milutin & Johns, 500 Two Houston Center, Houston, Texas 77010 by Federal Express and telecopier on October 7, 1991 by Linda Chase, a Committee staff member

House of Representatives

GPO: 1990 31-287 (m)

**Schedule of Things to be Produced**

All documents, records, notes or other materials in your possession or control which discuss, refer or relate to the conduct of any investigative or surveillance activities by The Wackenhut Corporation ("Wackenhut") and/or its Special Investigations Division ("SID") during the period from January 1990 through today, including but not limited to documents, records, notes or other materials regarding the following:

1. Covert activities with respect to Charles Hamel, any Member of the United States Congress, and/or the staff of any Committee of the United States Congress.

2. Communications between or among Wackenhut and/or SID (including any of their employees, directors, or officers) and any other person(s) (including Alyeska, its Owner Companies, or any attorneys) about the activities set forth in No. 1 above.

3. Work assignments of any Wackenhut and/or SID employee.

4. Communications between or among any Wackenhut and/or SID employees, officers or directors about the activities set forth in No. 1 above.

5. Invoices prepared for Alyeska, American Guard and Alert, or any other person or entity for services rendered with respect to the activities set forth in No. 1 above.

6. Meetings with Alyeska and/or its Owner Companies regarding the activities and/or termination of the activities set forth in No. 1 above.

7. Information collected about federal and state officials, environmental groups, Alyeska employees, and citizen activists.

8. Information regarding the scope of the services offered to its clients by Wackenhut and/or SID.

Subpena to Testify (Hearing)

# By Authority of the House of Representatives of the Congress of the United States of America

To Ricki S. Jacobson

You are hereby commanded to be and appear before the House Committee on Interior and Insular Affairs of the House of Representatives of the United States, of which the Hon. George Miller is chairman, in Room 1324 of the Longworth Building, in the city of Washington, on November 4, 1991, at the hour of 1:30 p.m., then and there to testify touching matters of inquiry committed to said Committee; and you are not to depart without leave of said Committee. You are hereby commanded to produce the things identified on the attached schedule.

To Any Committee Staff Member or U.S. Marshall

to serve and make return.

Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 1st day of October, 1991

George Miller

Chairman.

Attest:

Donnald K. Anderson

Clerk.

# Firing

Continued from page A1

confidential Alyeska information to lawmakers, environmentalists and the media over the years.

The fired Alyeska worker, 14-year veteran Robert Scott, last week filed a complaint with the U.S. Department of Labor, seeking reinstatement of his job and back wages.

Scott, fired in October 1990 after Alyeska ordered the Wackenhut investigation halted, won a benefits appeal in January with the Alaska Department of Labor. A state appeals officer rejected the reasons Alyeska gave for firing Scott.

Audiotapes of the state labor appeal hearing show Alyeska tried to establish a years-long pattern of problems with Scott, including a suspension in 1985 for what the company called sexual harassment and another suspension in 1988.

Alyeska says it fired Scott for three specific reasons, all stemming from incidents in 1990. Alyeska claimed one involved an alleged racial slur Scott says was unintended. Alyeska and Scott say he also participated in a long-running practical joke and was involved in a parking lot confrontation with another employee, the tapes show.

The state hearing officer, Stan Jenkins, discounted Alyeska's reasons for firing Scott and awarded him full unemployment benefits.

A memo from Wackenhut investigations chief Wayne Black to Alyeska security chief Pat Wellington — suggesting Alyeska fire Scott based on information already known — is dated May 23, 1990.

That was before each of the three incidents Alyeska cited as reasons for firing Scott. The parking lot encounter was in September 1990, the other two in June of that year.

Alyeska says it began the investigation in 1990, after years of being frustrated by leaks of information.

Documents show Wackenhut identified five potential sources of leaks, including Scott, as early as 1988.

In pursuing Scott as a potential source for Hamel, Alyeska says it enlisted an Anchorage handwriting analyst. That man, former Anchorage police officer Starr Campbell, said this week he remembers only a brief, inconclusive meeting with Wellington.

At issue was a precisely drawn, but incomplete, diagram of Alyeska's ballast water treatment plant and supporting facilities. Alyeska says that drawing somehow got to the environmental law firm Trustees for Alaska in 1988. Documents show Alyeska believed the hand-lettering on the diagram was somehow unique, and the company's internal investigation narrowed the field to five people before Alyeska gave handwriting samples of each to Campbell, the documents say. Campbell then reportedly gave Alyeska a two-page summary of his analysis and concluded Scott was the drawing's artist.

Campbell this week said he did not remember it that way.

"There was a sheet," he said. "I couldn't do anything with it. I don't recall what it was, but it was some sort of drawing" in 1989.

The meeting in Wellington's office took no more than five minutes, Campbell said.

"Usually when I do a case there are various amounts of writing by various people," Campbell said. "I usually try to find whoever did it."

But there was not enough handwriting or printing for Campbell to use, he said. He said he did not know what the drawing was of and said he does not remember any names mentioned. No list of examples were given him, he said.

Two other Alyeska employees were flagged as potential leaks in the documents.

Bill See, who works as a technician at Pump Station No. 6, said in an interview this week he and Hamel are friends and have talked on the phone about once a month for two years, including once this week.

See said he, like Scott, has opposed Alyeska management decisions in his almost 15 years with the company. But, See said, he never leaked confidential information, and, "No one has ever approached me regarding any contact I may or may not have had with Hamel.

"If the company had found that I had leaked confidential information, they would have fired me and they would have had every right to do it."

Still, See said, Hamel told him their phone communications were probably being monitored, and See said he made all but one of his calls to Hamel from his home, rather than from the field where they could be monitored more easily.

"When in doubt, you use caution," See said.

Hamel first contacted See two years ago, See said, after See had sided with technicians in a dispute with management.

"I was perceived as being a union organizer," See said. "That's not necessarily true. Our shared interest was only because we were both against various policies of management."

Retired Alyeska technician Don Rotan was mentioned once in the documents as a potential leak to Hamel. Rotan said he, too, often opposed Alyeska deci-

sions and was "pressured" because "I was too nosy and knew too much."

Hamel contacted Rotan after Rotan retired. "I terminated because of my own personal reasons," Rotan said from his home in Washington state. "It had nothing to do with Hamel whatsoever. (But) his fight was justified."

Alyeska, Rotan said, "did not screw me out of anything" in his retirement package.

Rotan said he and Hamel spoke a few times on the telephone. "He asked me if I knew things," Rotan said. He said he has not heard from Hamel in six months. They talked about several issues, including ballast dumping and the meters beneath barges that measure oil going aboard. "I don't know of any confidential information that was discussed between us. When I worked for Alyeska that was their business, and I never divulged any of it.

"I'm very cautious with what I say."

During the state labor proceedings in January, Alyeska tried to show Scott had problems with other employees and the company, tapes of the proceedings show.

And V.E. Collins, the Valdez manager who says he fired Scott, said in an interview Scott's overall job record throughout the years was "atrocious," particularly with his relations with other employees. Collins said he could not provide specific examples or copies of Scott's job evaluations.

On the state Department of Labor tapes, Scott says each of his 1980s annual reviews graded him satisfactory, a B on a scale of A, B and C.

"How he did his work and how he related to co-workers on the job made for his work performances to be substandard," Collins said.

Scott, he said, has "always been a troublemaker at the workplace with his co-workers . . . it's been a very difficult situation for all the people he's been working with. People have been scared (of Scott)."

On the tapes, Scott, an Alyeska representative, and state appeals hearing officer Jenkins discuss the three incidents Alyeska gave as its reasons for firing Scott.

They also discuss Scott's suspension in 1985 for saying in a technicians meeting that a female technician became extremely aroused at the sight of a particular man, and another suspension in 1988 for smoking in a restricted area and an absentee problem. Scott says he meant the comment to "the lady" only as a joke and "everyone in the room got a good laugh out of it."

Scott also admits using a racial slur during break-room conversations and bringing printed information to work from two groups he belongs to: the National Association for the Advancement of White People and the Nationalist Movement.

Those groups are intended, Scott says on the tapes, to protect the rights of all people, regardless of race. Scott says he used the racial slur only in referring to media stories and what others had said, and says he would never use the word on his own.

The last incident Alyeska said was a reason for firing Scott happened in the Valdez Marine Terminal parking lot a month before Scott was fired. Another employee, Yanko Zecevic, accused Scott of hitting Zecevic's car with his vehicle. Then, Scott says on tape, Zecevic got angry and Scott pushed him away. Zecevic asked their supervisor to have Scott charged with assault.

Zecevic declined to comment, except to say he had not seen the state labor appeals account.

Scott this week said his lawyer, Douglas Baily, had advised him not to comment on the case.

A Wackenhut look at Hamel's phone records also identified as possible leaks Price Ahtna Inc., a general contractor that performed work for Alyeska; and Daniel Lawn, a longtime Alyeska critic and employee of the Alaska Department of Environmental Conservation.

Price Ahtna in January 1989 signed on with Alyeska to do maintenance work along the trans-Alaska oil pipeline and at the Valdez terminal, project administrator Jim Ruhwedel said Thursday. That contract has continued uninterrupted since then and has involved up to 500 workers at a time, he said. Ruhwedel said he had no reason to think anyone from Wackenhut or Alyeska had investigated or contacted his company.

Lawn did not want to comment about being in the Wackenhut files.

"It doesn't surprise me at all," he said. "They probably got lots of files on me."

Alyeska security chief Wellington said there is no disparity between the disclosure that Wackenhut's Black had suggested Scott be fired and Alyeska's position that it did not fire Scott as a result of the investigation.

"I don't see anything that's conflicting," Wellington said this week. "The only thing Mr. Black could do was make a suggestion. He was working for us, we weren't working for him."

# Alyeska

Continued from page A1

Information about Alyeska has passed from informants in the company, through Hamel to state and federal regulators. Alyeska has spent millions of dollars on pollution control improvements required by those agencies.

Hamel, because of his seemingly easy access to Alyeska documents, was sought out, cultivated and secretly taped by the private detectives seeking his sources.

During one meeting, an agent asked Hamel who would take his place if he won a settlement of his claims.

A transcript of the recorded conversation has Hamel responding: "If I get the settlement, I kind of like what I'm doing. I don't have to be doing on the Alyeska pipeline system and Prudhoe Bay, just like the stuff I have just tripped over in California. I will be out of Alyeska's picture when they pay me."

Hamel late Thursday said he had not seen the documents turned over to Miller's committee.

"I have problems with it (the quote in the transcript)," he said. "I'm dealing with some pretty nefarious characters. I don't know if I'm dealing with legitimate characters."

He said one of those people, who turned out to be an investigator, "asked me repeatedly about Exxon's Point McIntyre situation. It (the quote) looks out of context. I cannot speak to it. There is no other settlement other than Exxon.

"What I would like to get out of Alyeska is to get the problem cleaned up and acknowledged publicly and the people being protected with a health plan. The rest of it is way out of context. The settlement: there is no other settlement. I have been negotiating with Exxon in Houston. I expect a settlement soon on Point McIntyre."

Hamel and Cliff Berglin and Tom Miklautsch of Fairbanks have been embroiled with Exxon in a North Slope lease dispute over Point McIntyre acreage. The case is pending in U.S. District Court in Anchorage.

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In January 1990, a "highly confidential and privileged Alyeska attorney-client communication" involving the operations of British Petroleum was televised in Great Britain on the show "The Scottish Eye," says Alyeska's summary of its investigation.

It was the last straw.

Alyeska President James Hermiller turned to his security chief, Pat Wellington, for ideas. Wellington retired from the top Alaska State Troopers post in 1977, and joined what would become ARCO Alaska Inc., which loaned him to Alyeska in 1978.

Wellington proposed an undercover operation to Hermiller, who approved it, according to Alyeska's summary.

Wellington hired Anchorage private detective Jerry Brown, who in turn hired Anchorage private detective Bill Black.

Black hired Anchorage private detective Irene Jacobson, who in turn hired Anchorage private detective Ricki Sue Eidelson.

Eidelson, posing as a representative of the Ecolit Group, a phony environmental organization, was to infiltrate the Trans-Alaska Pipeline Liability Fund, a group of citizens and environmentalists who monitor Alyeska's performance.

Eidelson was to obtain information about Alyeska's operations, and to find out who was leaking information to Hamel.

Eidelson was also to obtain the telephone records of Hamel and Berglin, and to videotape and tape-record conversations with Hamel.

Alyeska's summary says Eidelson was to "obtain information which would be helpful to Alyeska in its defense of the Exxon Valdez litigation."

gator, "asked me repeatedly about Exxon's Point McIntyre situation. It (the quote) looks out of context. I cannot speak to it. There is no other settlement other than Exxon.

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Wellington proposed an undercover operation to find the leaks.

He suggested Hermiller not tell Alyeska's legal department or its seven owner oil companies in order to keep the investigation as quiet as possible, documents show.

At Wellington's suggestion, Hermiller hired The Wackenhut Corp., a multinational security company based in Coral Cabloc, Fla. It already had a subsidiary — American Guard and Alert Inc. — under contract with Alyeska for pipeline and corporate security.

Wackenhut assigned the investigation a file number — 427 — and went to work.

Wackenhut investigations chief Wayne Black in March 1990 requested American Express credit cards for himself, under the name Wayne Jenkins, and three other people: John Richard Rox, Ricki Sue Jacobson and Gary A. Crep. Jacobson's card was to be issued under her undercover name — Ricki Eidelson.

Black made it clear in his request to American Express the cards would be used in conjunction with an investigation, and on March 27, 1990, signed an indemnity agreement with American Express to protect the worldwide credit card company against "claims, fines and judgments" that could arise from the investigation.

Black dispatched Jacobson — working undercover as Eidelson — to attend a March 21-23, 1990, Frontier Thinking Conference in Anchorage.

Records show Eidelson recognized a person she believed was Hamel during a conference break, but made no attempt to contact him. Her instructions were to observe, not make contact.

As luck would have it, however, Jacobson and Hamel left on the same Delta Airlines plane, Flight 1720, from Anchorage to Miami, and were seated on opposite sides of the aircraft aisle, separated by only two rows of seats.

They recognized they had seen each other at the conference and eventually they changed seats to discuss the conference. The agent later told Black she made frequent trips to the restroom to make notes on their conversation, documents state.

Jacobson told Hamel she attended the conference as a representative of an environmental organization, The Ecolit Group, which specialized in environmental litigation. She suggested Hamel contact the head of the phony company set up by Wackenhut, Dr. Wayne Jenkins, actually Black.

Hamel described himself as a "rabble-rouser" in Alaska's oil industry, and told Jacobson he would call Jenkins/Black, records of the conversation show. He also told Jacobson of his differences with Exxon USA Inc. over North Slope oil well leases.

A March 27 memo from Black to Wackenhut agent Gary Crep told Crep what to do in Valdez as an Ecolit representative.

Crep and agent Richard Lund traveled to Valdez on April 23, 1990.

The documents show they first worked the bars, figuring pipeline workers were a two-fisted group who enjoyed a good time. But a bartender, Robert Swift, who apparently took a liking to the pair, told them most Alyeska employees were "family people" who preferred to go home after work and frequented bars only occasionally, documents show.

They also placed Ecolit fliers on cars in the guarded Alyeska Marine Terminal parking lot to lure informants. Their success in placing the fliers apparently surprised Hamel enough to call Ecolit, the documents state.

Hamel contacted Black on April 25. In a memo that day from Black to Wellington, Black says Hamel told him he told Ricki Jacobson (Eidelson) to contact "a Jeff Petrick. Petrick is Miller's lead staff member on the majority side of the Committee on Interior and Insular Affairs."

Black says Hamel also told Ecolit to have its people stay at the Village Inn Motel when they were in Valdez, not at another where Alyeska officials stayed.

Black, Shirin A. Autrand, Ricki Sue Jacobson, Adriane Caputi, Ann M. Contreras, Janet Lago and Rick Lund on May 8, 1990, signed company confidentiality documents promising they would never divulge information from the investigation.

Gerald Davis on May 16 signed a confidentiality agreement, and in September four more investigators in the operation signed client confidentiality agreements. They were Yvonne W. Manuel, Annell Osoria, Ron Solomon and Sylvia H. Alfonso.

In the aftermath of the investigation, at least five agents involved have provided Hamel with signed affidavits about their activities, Hamel said Thursday.

Documents indicate Alyeska in the early weeks of the investigation turned to the law firm Richey, Munroe, Fine and Goodman of Miami for advice on a secret surveillance effort and whether Miller should be included.

Miller was head of a subcommittee that led an investigation of the 1989 Exxon Valdez oil spill. He has continued investigating Alyeska's operations.

Lawyers William Richey and Jonathan Goodman, in a five-page, single-spaced opinion dated May 22, 1990, warned the company not to include a congressman in the probe. Undercover investigations were nothing new to the two lawyers. Before entering private practice, Richey was a chief assistant state attorney responsible for approving wire taps and racketeering investigations in Florida. Goodman was an assistant U.S. attorney for organized crime and narcotics-related prosecutions, also in Florida.

They concluded even if evidence indicated wrongdoing by a congressman — Miller's name was unmentioned in the opinion — he would have at his disposal the means to discredit Alyeska.

The lawyers told the company it should turn over to the FBI any evidence of congressional mis-

be a witness for Alyeska.

The company decided it would not include Miller and would stop investigating Hamel if it were discovered he was acting as Miller's agent, the documents show.

"If and when Hamel even hints he (Hamel) is assisting or acting as an agent of Miller, we will cease our undercover approach," Black wrote Wellington in the May 23 executive summary of the investigation.

Hamel on May 30, 1990, told Black, who he knew as Jenkins of Ecolit, he believed his garbage was being stolen, Black wrote Wellington in a memo. He said Hamel told him he photographed a person taking his garbage and Hamel said he had photos taken at a later date which included two men — and one of them was the same person he photographed earlier stealing his garbage.

On June 1, 1990, Black wrote Wellington that Hamel told him he "set up" the people stealing his garbage by "putting something in the trash that would get them excited."

Wackenhut now will not talk about the investigation.

"We believe our investigation stands on its own merits," Robert Kneip, a Wackenhut senior vice president, said Thursday. "We believe we did nothing wrong."

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To make the Ecolit operation appear legitimate, Black sought to have it join in a complaint filed by a Florida environmental group concerning contaminated soil.

When Black decided to open a second Ecolit office in Alexandria, Va., nearer Hamel's home, he contacted William Stoner of Wackenhut's Baltimore office to see if he met Virginia's requirements for certification as a private investigator.

Stoner on Aug. 9, 1990, faxed a message to Black saying, "If I remember correctly, Florida is the only state with which Virginia has reciprocity. So, if you have a license in Florida, you will have no problem in Virginia."

Black later wrote an undated memorandum to File 427 noting his team was licensed to conduct investigations in Florida and Virginia.

Black used the second Ecolit office in Arlington, Va., near Hamel's home, to videotape conversations with Hamel.

Hamel apparently thought Ecolit was real. He even warned Black he had alerted his "contact in Alyeska's legal department" of a possible Alyeska inquiry into Ecolit, documents say.

But while Hamel was more than willing to discuss possible oil industry sins, transcripts of tape-recorded conversations showed he stopped short of divulging his informant's name.

One transcript quotes Hamel as telling Black that he did not said Hamel told him he (Hamel) spoke frequently with Miller about information Hamel had collected.

Ecolit, through Black, paid Hamel $4,000 in two payments of $2,000 each for expenses, documents show, and one transcript recounts an offer by Black to pay cash for Hamel's documents. Hamel refused.

"I don't want you ever to say that I sold documents," Hamel was quoted as saying. "I am not selling documents. I got them for nothing, and you will have them for nothing."

Hamel also lamented his sources were not discriminating in what they sent him.

"I'll bet you for every page of good stuff I got, I got 15 pages of useless stuff," he said. "Now, I'm getting more than I can handle."

Black wrote Wellington in a July 17, 1990, memorandum that Hamel estimated he had cost Alyeska $180 million through his actions.

Although Hamel said he had recorded telephone conversations before, he is quoted in the transcripts as telling Black he had changed his mind about recording someone's conversation without their permission.

"I had a machine," he is quoted as saying. "I recorded my ex-wife. That I did do when I had divorce problems way the hell back. I had a machine. I would press the button and record her anytime I wanted. But, I never recorded anyone since then. I just can't ... It's just not my style to record somebody."

In a Sept. 20, 1990, memo Black told Wellington that Ecolit had 500 documents provided by Hamel in its computer.

Robert Kelly Scott, who had been an Alyeska technician at the Valdez Marine Terminal since Jan. 1, 1977, and four other persons were identified as possible leaks as early as June 1988.

The company wanted to know who leaked a precisely drawn, although incomplete, diagram of Alyeska's ballast water treatment plant and supporting facilities in Valdez, documents show.

The diagram, which contained handwritten notes, turned up with the environmental law firm Trustees for Alaska Inc. that same year. Alyeska narrowed the list of suspects to five before turning over copies of their handwriting to Starr Campbell of Anchorage, a certified handwriting specialist, documents show.

Campbell supplied Alyeska with a brief, two-page summary of the analysis and concluded Scott made the drawing, documents show.

But Campbell this week said he did not identify the artist because the company did not provide him with enough information.

While the diagram turned up at Trustees for Alaska almost three years ago, investigators had not forgotten. Lund on

[illegible] Conservation, and a man [illegible]ams, whose name never again surfaced.

Crep and Lund, in Valdez on the Ecolit operation, took Scott's garbage and analyzed more telephone logs, which turned up a large number of telephone calls among Hamel, Scott and Lawn.

"Hamel regularly speaks with those two individuals with an equal mix of calls to the Anchorage Daily News," the investigators wrote.

In May 1990, Black and Lund visited Hamel's home, apparently believing they had won his confidence through the Ecolit undercover operation.

Hamel left the pair alone for a time, and they were able to find Alyeska documents, documents show. Black took three. One, an Alyeska Corporate Operations Exchange, was dated March 9, 1989. Another was an Alyeska work request dated April 15, 1990, and written by the same person who sent it to Hamel — Robert Scott, Black wrote Wellington.

When Hamel returned, he opened his mail in front of Black and Lund, and wondered aloud "what my Alyeska informants have for me today," documents show.

One envelope attracted the immediate attention of Black and Lund. It was the same personalized stationery Lund had found while examining Scott's garbage in Valdez.

Scott was fired in October, a month after the investigation was terminated.

The company said Scott was fired because of an altercation in a parking lot, alleged racial slurs and a practical joke.

Scott was just a few months shy of completing the 15 years of service required for a full Alyeska retirement.

•••

It was not until mid-September that Hermiller and others decided to advise Alyeska's owners committee of the investigation.

On Sept. 25, 1990, Alyeska general counsel David Marquez presented an overview of the investigation to the three principal owners of Alyeska — BP America Inc., ARCO Inc. and Exxon Co. USA — at a meeting in Denver, Colo.

The owners committee made four decisions: First, "Shut down all operations in an expeditious manner and discontinue any further recording or videotaping." Second, "avoid using tapes, etc., for any purpose including taking action against Alyeska employees." Third, "assemble and preserve relevant data pending further instructions as to disposition." And fourth, "Avoid any further dissemination of the fact of the investigation."

On Oct. 3 there was a meeting of representatives of all the owners. They adopted the committee's decision and suggested four other actions to be taken. Those actions were not included in the documents.

**Longtime oil industry critic Charles Hamel, a former Virginia oil broker, was sought out, cultivated and secretly taped by private detectives during Alyeska's $287,000 investigation.**

conduct. They concluded Black's "good reputation" with that agency would help persuade the bureau to investigate.

But Richey and Goodman said Alyeska should be prepared for the FBI's "inherent inefficiency" and expect to lose control of the process because more people would know case details.

Based on the lawyers' advice, Black told Wellington in a memo May 23 the investigation would have three levels.

First, because conventional techniques had failed to uncover leaks, the investigation would seek the individual or individuals feeding Hamel information.

Second, Black told Wellington to be prepared to sue in Alaska and Virginia to recover Alyeska property if Hamel discovered the investigations.

Third, Black suggested the company fire Valdez terminal technician Robert Scott based on information already learned at that time. Black suggested Scott be interviewed and persuaded to be a witness for Alyeska.

The company decided it would not include Miller and would stop investigating Hamel if it were discovered he was acting as Miller's agent, the documents show.

"If and when Hamel even hints he (Hamel) is assisting or acting as an agent of Miller, we will cease our undercover approach," Black wrote Wellington in the May 23 executive summary of the investigation.

Hamel on May 30, 1990, told Black, who he knew as Jenkins of Ecolit, he believed his garbage was being stolen, Black wrote Wellington in a memo. He said Hamel told him he photographed a person taking his garbage and Hamel said he had photos taken at a later date which included two men — and one of them was the same person he photographed earlier stealing his garbage.

On June 1, 1990, Black wrote Wellington that Hamel told him he "set up" the people stealing his garbage by "putting something in the trash that would get them excited."

Wackenhut now will not talk about the investigation.

"We believe our investigation stands on its own merits," Robert Knelp, a Wackenhut senior vice president, said Thursday. "We believe we did nothing wrong."

•••

To make the Ecolit operation appear legitimate, Black sought to have it join in a complaint filed by a Florida environmental group concerning contaminated soil.

When Black decided to open a second Ecolit office in Alexandria, Va., nearer Hamel's home, [illegible]

know all of his sources. "One guy never knows the name of the other guy," he was quoted as saying. "I never, ever, know all my people."

Questions about money and discussions about tape-recording conversations came up often in conversations between Hamel and Black, the man he thought was running Ecolit, documents show.

Early on, Hamel wondered where Ecolit got its financing, but Black told him it was coming from "the Trumps." Hamel asked if the Trumps were Donald and Ivana Trump. Donald Trump's highly leveraged real estate empire was well on its way to crumbling at the time.

Black told him Ecolit was getting its money from "the Trump Group, and, uh, it's not the bankrupt Trumps. It's the South African Trumps, which is, they're big builders. Not Donald, oh God no," transcripts show.

In the May 23 briefing memo from Black to Wellington, Black said Hamel told him he (Hamel) spoke frequently with Miller about information Hamel had collected.

Ecolit, through Black, paid Hamel $4,000 in two payments of $2,000 each for expenses, documents show, and one transcript recounts an offer by Black to pay cash for Hamel's documents. Hamel refused.

"I don't want you ever to say that I sold documents," Hamel was quoted as saying. "I am not selling documents. I got them for nothing, and you will have them for nothing."

Hamel also lamented his sources were not discriminating in what they sent him.

"I'll bet you for every page of good stuff I got, I got 15 pages of useless stuff," he said. "Now, I'm getting more than I can handle."

Black wrote Wellington in a July 17, 1990, memorandum that Hamel estimated he had cost Alyeska $180 million through his actions.

Although Hamel said he had recorded telephone conversations before, he is quoted in the transcripts as telling Black he had changed his mind about recording someone's conversation without their permission.

"I had a machine," he is quoted as saying. "I recorded my ex-wife. That I did do when I had divorce problems way the hell back. I had a machine. I would press the button and record her anytime I wanted. But, I never recorded anyone since then. I just can't ... It's just not my style to record somebody."

In a Sept. 20, 1990, memo Black told Wellington that Ecolit had 500 documents provided by Hamel in its computer.

March 24, 1990, took 17 items from the trash bin behind the building housing the offices of Trustees for Alaska in Anchorage, documents show.

At the bottom of some of the papers are the words, "This document is attorney/client privilege." But other documents appear unimportant. One is a transcript of a court case the firm was following; several others are copies of bills pending before the Alaska Legislature; and some are news clippings.

A March 30, 1990, memorandum to Wellington from investigator Lund included 65 pages of logs of Hamel's telephone calls.

Lund said he obtained the logs from a "confidential source," and was able to "get Scott's records verbally." After an analysis of the logs, investigators identified four names for background checks: Scott; Price Ahtna Inc., a general contractor for Alyeska; Daniel Lawn, an Alyeska critic employed by the Alaska Department of Environmental Conservation; and a Kenneth Adams, whose name never again surfaced.

Crep and Lund, in Valdez on the Ecolit operation, took Scott's garbage and analyzed more telephone logs, which turned up a large number of telephone calls among Hamel, Scott and Lawn.

"Hamel regularly speaks with those two individuals with an equal mix of calls to the Anchorage Daily News," the investigators wrote.

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# U. S. House of Representatives
## Committee on Interior and Insular Affairs
Washington, DC 20515-6201

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Via Fax and U.S. Mail

October 1, 1991

Mr. Roger Staiger Jr.
Alyeska Pipeline Service Company
1667 K Street N.W., Suite 450
Washington, D.C. 20006

Dear Roger:

I am increasingly concerned that we either do not have all the documents which have been made available to the press regarding Wackenhut's surveillance activities, or we have received documents misleadingly placed in files to which they do not belong.

On September 13, 1991, the Anchorage Times published a story about the items taken from Trustees for Alaska trash. As we have discussed, the story describes items which are completely different from those contained in the file produced to us on September 6, 1991. You suggested that the Times reporter, Bert Tarrant, may simply have poorly described the items.

However, Mr. Tarrant described the trash quite specifically as papers containing the words "[t]his document is attorney/client privilege," transcripts of a court case, news clippings, and copies of bills pending before the Alaska legislature. There is no item in the Trustees for Alaska trash produced to us which even remotely fits those descriptions. In fact, with the exception of news clippings, there is no item which fits the Times description in any of the files labeled as "trash" taken from anyone. Thus, this does not appear to be a matter of poor description.

Furthermore, on September 27 and 28, 1991 the Anchorage Times reported that the files produced to the Committee contained a "handwritten analysis ... of phone numbers from which calls had been placed to Trustees for Alaska from across the United States. After each number was the name of the person or organization in which the number was listed. In many instances, the telephone numbers had been disconnected or were no longer in service, the documents show."

As we have also discussed, although there is a handwritten list of phone numbers contained in the file for Trustees for

Alaska, the list is not marked with the name Trustees for Alaska. Nor does the list specify that it is a list of calls to (as opposed to calls from) Trustees for Alaska phones. Furthermore, there is no statement on the list in our file that any phone numbers had been "disconnected" or were "no longer in service." Again, there appears to have been a document provided to the Times which is not in the file produced to us.

To confuse the matter even more, yesterday we received a copy of a letter to Trustees for Alaska from Dave Marquez which stated: "Neither Alyeska nor investigators hired by Alyeska obtained telephone records of the Trustees' office or of its employees." Assuming that statement to be true, it now appears that the handwritten list described by the Times and the one which appears in the Trustees for Alaska file produced to us are phone records for parties not named by either Alyeska or Wackenhut.

Please let us know whose phone records are contained in the file for Trustees for Alaska. We would also appreciate your efforts to determine whether Bert Tarrant of the Anchorage Times was attempting, in his September 13, 27 and 28 stories, to describe documents he saw in the files Alyeska produced to the Committee. If so, please identify those documents by number.

Thank you for your assistance.

Sincerely,

Linda J. Chase
Chief Counsel - Investigations

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ROBERT E. JORDAN, III
(202) 429-6290

October 4, 1991

Linda Chase, Esquire
House Interior and
Insular Affairs Committee
U.S. House of Representatives
Washington, D.C. 20515-6201

Dear Ms. Chase:

This letter follows up on our discussion Wednesday regarding the allegation that investigators employed by the Wackenhut Corporation may have monitored the telephone calls of the Trustees for Alaska. As I indicated on Wednesday, it is Alyeska's understanding that no such monitoring occurred during investigation 427, and our preliminary review of all telephone toll call records in the investigation 427 files confirms that understanding.

The allegation that Wackenhut personnel may have monitored the phone calls of the Trustees for Alaska appears to be based on the fact that one of the 427 investigation files produced to the Committee -- Exhibit 47 -- contains a reference to the Trustees for Alaska (F2R410779), following which are six pages of handwritten telephone numbers (F2R410781-786). The proximity of the telephone numbers to the corporate information for the Trustees for Alaska apparently has led some to conclude that there is some connection between the two. However, our review of the relevant investigation 427 files indicates that this is not the case, and that the handwritten telephone numbers listed in Exhibit 47 do not correspond either to telephone calls incoming to, or telephone calls placed from the offices of the Trustees for Alaska. Instead, the records strongly suggest that the telephone numbers found in Exhibit 47 correspond to outgoing telephone calls placed by Charles Hamel from his residence in Alexandria, Virginia.

We base this conclusion on a comparison of the handwritten telephone numbers in Exhibit 47 with the two sets of telephone toll call records produced to the Committee in Exhibit 51. The typewritten list of telephone numbers included in

Exhibit 51 (F2R412147-160) is in numerical order, by area code. (Attachment 1.) The computer printout in Exhibit 51 (F2R412607-648) appears to contain a somewhat larger list of telephone numbers, which are arranged in chronological order. (Attachment 2.) We have been informed that these two documents are a compilation of the toll calls Charles Hamel placed from his residence in Alexandria, Virginia. This conclusion is fully consistent with the content of the two compilations, which include the telephone numbers of Charles Hamel's relatives and other individuals and organizations with whom he is known to have associated.

By comparing the set of telephone numbers in Exhibit 47 with the two toll call analyses in Exhibit 51, it is possible to account for virtually all of the telephone numbers on the handwritten list. The typewritten list of numbers contains all but 7 of the phone numbers in Exhibit 47. (The telephone numbers marked in red on Attachment 1 correspond to the handwritten numbers in Exhibit 47; the seven handwritten numbers not found on the typewritten list have been flagged in Attachment 3.) Five of the remaining 7 numbers, in turn, can be found in the computer printout included in Exhibit 51. (Attachment 2.) (We have tabbed the relevant entries in the computer printout for your convenience.) Thus, only two of the 91 telephone numbers on the handwritten list do not appear on the toll call analyses submitted in Exhibit 51. While we cannot be absolutely certain about the origin of the two remaining numbers without further inquiry, it seems highly unlikely based on the foregoing analysis that they represent either incoming calls to, or outgoing calls from the offices of the Trustees for Alaska. The much more likely explanation is that these two telephone numbers, as is apparently the case with all of the others on the handwritten list, correspond to outgoing calls Charles Hamel placed from his residence.

Please let me know if you have any questions concerning the attached information, or if I can be of any further assistance on this matter.

Sincerely,

Robert E. Jordan, III

Enclosures

cc: David W. Marquez, Esq.
(with enclosures)

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ROBERT E. JORDAN, III
(202) 429-6290

October 17, 1991

Linda Chase, Esquire
House Interior and
Insular Affairs Committee
U.S. House of Representatives
Washington, D.C. 20515-6201

Dear Ms. Chase:

The purpose of this letter is to supplement the information set forth in my letter to you of October 4 and our subsequent discussions on the content of the files produced to the Committee.

I understand your concern that the Committee may not have all of the materials that have been made available to the press. However, I can only repeat what I have informed you in our previous discussions on this subject. First, Alyeska has not provided any documentary materials relating to the Wackenhut investigation to the Anchorage Times or any other media organization. Second, to the best of our knowledge, the reports in the Anchorage Times to which you refer in your letter appear to be based solely on its review of the documents produced to the Minority staff on September 7, 1991. As I have indicated, those documents are a duplicate set of the materials produced to the Committee on September 6, 1991 in response to Chairman Miller's August 6, 1991 letter to Alyeska.

We have suggested that the perceived discrepancies may be explained by inaccurate reporting on the part of Mr. Tarrant, the Anchorage Times reporter who apparently reviewed the investigation files. With respect to most of the items mentioned in your letter, this seems to be the most plausible explanation. Exhibit 2 includes the items abandoned by the Trustees for Alaska. Mr. Tarrant appears to have confused these items with, for example, items from Exhibit 17, which consist of items collected from trash abandoned by Robert Scott. One of those

items is a copy of a bill pending before the Alaska legislature. See F2R400330. Similarly, Exhibit 12, which contains items collected from the discarded trash of Charles Hamel, includes many copies of newspaper articles. See, e.g., F2R400204-205, 400213-214, 400217, 400236-238, 400239-244 and 400246-249. Furthermore, while Exhibit 2 does not contain any "transcripts of a court case," it does contain draft pleadings in several court cases. Perhaps Mr. Tarrant does not understand the difference between a pleading and a transcript, or considers the terms synonymous.

As for Mr. Tarrant's statement that the Trustees for Alaska's trash included papers containing the phrase "[t]his document is attorney/client privilege," we are quite certain that this is incorrect. None of the exhibits containing items of discarded trash include any such notation. The phrase "this document is attorney/client privilege" does appear in the investigation files, but only on documents prepared by the Wackenhut Corporation. See e.g., Exhibits 47 and 53. I note that some of these documents are in the same exhibit that contains the Trustees for Alaska file -- Exhibit 47 -- and in very close proximity as well. See e.g., F2R410715-716, 410719-720, 410721-723, 410730-745, and 410746-751.

As for the September 27 and 28, 1991 reports in the Anchorage Times regarding alleged monitoring of Trustees for Alaska telephones, I believe that my letter of October 4 answers all of your questions except one. You ask whether the Anchorage Times might have a document not provided to the Committee because the Anchorage Times reported that a handwritten analysis of phone numbers contained notations that the numbers had been "disconnected" or were "no longer in service", while the list of phone numbers in Exhibit 47 does not contain such notations.

It appears that this alleged discrepancy may also be the result of careless reporting. As I mentioned in my October 4 letter, the materials produced to the Committee contain two printed lists of telephone numbers (see Exhibit 51) in addition to the handwritten list included in Exhibit 47. On both of the Exhibit 51 lists, margin notations indicate that numbers have been "disconnected." See e.g., F2R412150, 412154, 412157, 412160, 412609-611, and 412620. Mr. Tarrant seems to have confused the different listings in preparing his article. Moreover, while none of the lists of telephone numbers contain the phrase "no longer in service," it is possible that Mr. Tarrant misinterpreted the frequent "no listing" notations on the

handwritten list to mean that the phone number was no longer in service. If you have need for further clarification on this subject, Mr. Tarrant would be the logical source of information.

I hope that this alleviates your confusion with respect to the content of the files produced to the Committee.

Sincerely,

Robert E. Jordan, III
Counsel for Alyeska Pipeline
Service Company

cc: David W. Marquez, Esq.

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October 2, 1991

**BY TELECOPIER AND U.S. MAIL**

David W. Marquez, Esq.
General Counsel
Alyeska Pipeline Service Company
1835 South Bragaw Street
Anchorage, Alaska 99512

Dear Mr. Marquez:

I am responding to your September 23, 1991 letter to me and also to Roger Staiger's September 24, 1991 letter to me on your behalf. I will address each item in the order raised in the letters. Items which refer only to Wackenhut will not be addressed herein, but will be raised with Wackenhut as appropriate.

September 23, 1991

Attorney-client Privilege:

1. The attorney-client privilege protects facts communicated from a client to his attorney in confidence. The attorney's advice to the client is not covered unless is it so inextricably bound to the facts that to disclose the advice would necessarily also disclose the confidential facts. It would not appear that the one sentence redacted from document F2R413210 meets that test. Furthermore, we believe Alyeska has waived any claim of attorney-client privilege by disclosing the facts to Wayne Black and others at Wackenhut.

2. Assuming that inquiries made by outside counsel for the Owner Companies were somehow protected from disclosure by the attorney-client privilege, that privilege may be invoked only by the Owner Companies and not Alyeska. Once the inquiries were disclosed to Alyeska, Wackenhut and various Wackenhut employees and agents, the Owner Companies waived any privilege they might otherwise have claimed.

3. With respect to document F2R415673-415676, see number 1 above.

4. No response.

Moreover, as Richard Meltzer informed you in his September 27, 1991 letter, the attorney-client privilege is a judicially developed doctrine which has not been adopted by the United States Congress. Its application in legislative proceedings is a matter of Committee discretion.

Other Issues:

Item 1. We are concerned that Alyeska has neither produced the detailed billings provided to Mr. Wellington by Wackenhut nor adequately explained why it cannot provide them. What efforts have been made to locate them? Where were they kept? Who had control of those documents? Have they been destroyed? If yes, when and by whom?

Item 2. No response.

Item 3. No response.

Item 4. No response.

Item 5. It is clear from the file that Alyeska required Wackenhut to report to Mr. Wellington on every contact with Hamel. Virtually every contact, even when insubstantial or tape recorded, resulted in a memorandum to Mr. Wellington from the Wackenhut agent who made the contact. However, there is no memorandum to Mr. Wellington in the file regarding the very lengthy videotaped conversations between Black and Hamel on August 30, 1990. It is not clear whether Alyeska believes that no memorandum was created to inform Mr. Wellington of the August 30 conversations or that one existed, but is no longer available. Please state your understanding.

Item 6. Please provide us with all notes taken by any person, including attorneys, at the Owners Committee meetings insofar as they relate in any way to discussions of the initiation, authorization, termination or conduct of surveillance activities.

Item 7. No response.

Item 8. No response.

Item 9. No response.

September 24, 1991

1. No response.

2. To the extent that time records produced for any Wackenhut employee reflect work done for clients other than Alyeska, they are beyond the scope of the Committee's subpoena for documents. However, please provide us with copies of the time records which reveal the case numbers assigned to the redacted portions, so that it is clear that entries for case 427 have not inadvertently been redacted.

Thank you for your assistance.

Sincerely,

Linda J. Chase
Chief Counsel - Investigations

cc: Richard Meltzer, Esq.
Robert E. Jordan, III
Roger Staiger Jr.

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October 3, 1991

**HAND DELIVERY**

Linda J. Chase, Esq.
Chief Counsel - Investigations
U.S. House of Representatives
Committee of the Interior
and Insular Affairs
Washington, D.C. 20515-6201

Re: The Wackenhut Corporation
H&K File No. 06265-38

Dear Ms. Chase:

On behalf of the Wackenhut Corporation we enclose the documents responsive to the congressional subpoena dated September 26, 1991. The documents are consecutively numbered 000001 through 000236. We are continuing with our search for the documents we discussed on October 2, 1991. If they are located, they will be promptly produced to the Committee.

If you have any questions, comments or further requests, please do not hesitate to contact the undersigned at (305) 375-7745. Also, please acknowledge receipt of the documents by signing the receipt attached hereto.

Very truly yours,

HOLLAND & KNIGHT

Gregory A. Baldwin

**EXHIBIT 140**

Received from Holland & Knight documents numbered 000001 through 000236 in response to the Congressional Subpoena this ___ day of October, 1991.

_____
Linda J. Chase

STEPTOE & JOHNSON
ATTORNEYS AT LAW

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ROBERT E. JORDAN, III
(202) 429-6290

October 7, 1991

The Honorable George Miller
Chairman, Committee on Interior
and Insular Affairs
U.S. House of Representatives
Washington, D. C. 20515-6201

Dear Chairman Miller:

As counsel for Alyeska Pipeline Service Company, I am today submitting to Ms. Linda Chase of your staff a number of documents that are nonprivileged and that our review indicates are responsive to the subpoena issued by the House Interior and Insular Affairs Committee on September 26, 1991.

As you are aware, Alyeska had been pursuing efforts to locate additional documents responsive to your letter of August 7, 1991 to James B. Hermiller, President of Alyeska. A major submission of documents and video and audio tape materials was made to the Committee on September 6, 1991, and supplementary submissions were made thereafter. Ms. Chase was advised by a letter of September 23, 1991 from David Marquez, Alyeska's General Counsel, of Alyeska's continuing efforts to locate information responsive to the August 7, 1991 letter, in the files of both Alyeska and The Wackenhut Corporation. The materials submitted today to Ms. Chase include materials identified in connection with further responses to the Committee's letter of August 7, 1991; however, that letter was overtaken by the subpoena of September 26, 1991.

Some of the materials submitted to Ms. Chase today may be duplicative of materials being submitted by The Wackenhut Corporation. Until the receipt of the subpoena of September 26, 1991, Alyeska had been working with Wackenhut to locate further information responsive to your letter on behalf of the Committee dated September 25, 1991. I understand that in response to a

similar subpoena directed to Wackenhut, the company is making a production of documents to the Committee.

The majority of significant nonprivileged responsive documents have been previously submitted to the Committee. In today's supplementary submission, there are the following categories of information, among others:

(1) Documents previously submitted to the Committee, as to which we have subsequently identified notations on the reverse side of the originals that were not copied initially. Today's submission includes copies showing the reverse-side notations; these documents constitute the first 52 pages of today's submission (pages F2R415702 to F2R415754).

(2) Documents that differ from previously submitted documents only because they contain signatures or initials or other marginal handwritten notations that were not included in previously submitted copies of these documents; these documents are otherwise identical to previously submitted documents. In some cases, these portions of the text of these copies are blocked out by what appear to be "Post-It" labels. We are submitting these exactly as we found them; we do not have copies with removable Post-Its which would make it possible to see the blocked-out text. However, other versions of the same documents have been produced without the blocked-out text, so there should be no loss of information occasioned by the blocked-out portion.

(3) Additional billing statements from the firm of Richey, Munroe, Fine, Goodman & Armstrong, along with various documents related to the administrative processing of such statements.

(4) Four additional "Daily Activity Report" forms, two each for Wackenhut employees Ana Contreras and Gary Crep. The vast majority of such reports for these individuals were submitted previously.

(5) Travel expense reports for Alyeska personnel who attended meetings relating to the Wackenhut investigation, which constitute a substantial portion of today's submission. Ms. Chase indicated to me an interest in seeing these materials to the extent that they reveal that the purpose of the travel related to the Wackenhut

investigation; we are submitting materials that reveal this information and further details as to expenses associated with specific trips.

(6) Billings for outside counsel, to the extent such billings do not reveal privileged information.

(7) A collection of public record materials obtained with respect to your Committee from library sources such as The Congressional Yellow Book and publicly available library data base sources. We had previously been unable to locate this material in the Wackenhut files, as Mr. Marquez indicated in his letter to Ms. Chase of September 23, 1991. However, we were able to locate what we believe to be the materials discussed in item 7 of the September 23 letter among background materials in the files of the law firm of Richey, Munroe, Fine, Goodman & Armstrong. It appears from an examination of the Daily Activity Report of Ms. Jacobson dated May 21, 1990 (document F2R415149) that the results of her library research were provided directly to that firm and were never in the Wackenhut files.

(8) Several attorney daily calendars that reveal the dates of meetings but do not reveal privileged communications.

(9) A small number of other miscellaneous items, consisting of approximately 15 pages.

We are submitting to Ms. Chase with these documents a updated inventory of the materials that Alyeska has produced to the Committee, which incorporates all documents submitted since the inventory was last revised on September 17.

We have been discussing with Ms. Chase and Messrs. Meltzer and Petrich of the Committee staff various issues relating to the attorney-client and work product privileges. It is fair to say that there remain substantial differences of opinion between Alyeska's counsel and the staff on these issues, but we very much appreciate the efforts of the staff to openly discuss with us the Committee's position and Alyeska's position. We have scheduled further discussions of these issues with the staff tomorrow, and we are hopeful that a resolution can be reached that accommodates the important interests of the Committee and Alyeska.

Pending those further discussions we have listed in our revised privilege list (included with today's submission) those

documents as to which our clients assert privilege, except that we have not listed or produced any documents relating to the Paul, Hastings, Janofsky & Walker investigation pending resolution of privilege issues relating to that body of material.

Our discussions have indicated that the Committee does not intend to pursue the "Exxon Valdez" documents as to which a privilege claim had been made. We appreciate the Committee's posture with respect to those documents. Ms. Chase has also indicated to me that the Committee does not seek documents relating to the activities undertaken by Alyeska and its counsel in response to your letter to Mr. Hermiller of August 7, 1991. We have therefore not listed any such documents in the revised privilege list that we are submitting to Ms. Chase with the documents referred to above.

A copy of the materials being produced to Ms. Chase, including the updated inventory and revised privilege list, is being provided to Minority Counsel.

Sincerely yours,

Robert E. Jordan, III
Counsel for Alyeska Pipeline
Service Company

cc: Honorable Don Young
Richard Meltzer, Esq.
Linda Chase, Esq.
David Dye, Esq.

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MORGAN D. HODGSON
(202) 429-8219

October 16, 1991

The Honorable George Miller
Chairman, Committee on Interior
and Insular Affairs
U.S. House of Representatives
Washington, D.C. 20151-6201

Dear Chairman Miller:

In accordance with and subject to the terms of Robert Jordan's October 11, 1991 letter to you and Linda Chase's reply of October 11, 1991 (copies attached), Alyeska is submitting the following additional documents containing privileged information:

(1) Multiple rough drafts of a privileged memorandum authored by Richey, Munroe, Fine & Goodman dated January 17, 1991, which we produced to you on October 11, 1991;

(2) handwritten interview notes made by Paul, Hastings, Janofsky & Walker attorneys, which provided them with information for the interview reports produced on October 11, 1991.

Sincerely yours,

Morgan D. Hodgson
Counsel for Alyeska Pipeline
Service Company

cc: Honorable Don Young
Richard Meltzer, Esq.
Linda Chase, Esq.
David Dye, Esq.
Jeffrey P. Petrich, Esq.

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October 16, 1991

Ms. Linda Chase
Committee on Interior and
Insular Affairs
U.S. House of Representatives
Washington, D.C. 20515

Re: Wackenhut

Dear Ms. Chase:

Enclosed please find Wackenhut documents numbered 000237-000371 which are the Detail Time Usage Reports.

Sincerely yours,

HOLLAND & KNIGHT

Marshall Matz

Marshall L. Matz

MLM:nct
Enclosure

I would appreciate the chance to meet on Monday.

chltr:155

EXHIBIT 143

GEORGE MILLER, CALIFORNIA, CHAIRMAN
PHILIP R. SHARP, INDIANA
EDWARD J. MARKEY, MASSACHUSETTS
AUSTIN J. MURPHY, PENNSYLVANIA
NICK JOE RAHALL II, WEST VIRGINIA
BRUCE F. VENTO, MINNESOTA
PAT WILLIAMS, MONTANA
BENJAMIN A. GILMAN, NEW YORK
ROBERT J. LAGOMARSINO, CALIFORNIA
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BEN BLAZ, GUAM
JOHN J. RHODES III, ARIZONA
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RICHARD T. SCHULZE, PENNSYLVANIA
JOEL HEFLEY, COLORADO
CHARLES H. TAYLOR, NORTH CAROLINA
JOHN T. DOOLITTLE, CALIFORNIA
WAYNE ALLARD, COLORADO
RICHARD H. BAKER, LOUISIANA
DON YOUNG, ALASKA
RANKING REPUBLICAN MEMBER
DANIEL P. BEARD
STAFF DIRECTOR
RICHARD HELTZER
GENERAL COUNSEL
DANIEL VAL KISH
REPUBLICAN STAFF DIRECTOR

# U. S. House of Representatives
## Committee on Interior and Insular Affairs
### Washington, DC 20515-6201

October 24, 1991

**BY TELECOPIER AND U.S. MAIL**

Robert E. Jordan, III, Esq.
Steptoe & Johnson
1330 Connecticut Avneue, N.W.
Washington, D.C. 20036

Gregory A. Baldwin, Esq.
Holland & Knight
P.O. Box 015441
1200 Brickell Avenue
Miami, Florida 33101

Dear Bob and Greg:

The purpose of this letter is to list the types of documents we believe either exist or existed at one time, but which have not been produced to us during the course of the Committee's investigation. Some categories of documents we have already discussed; we understand Alyeska and Wackenhut are searching for, but have thus far been unable to locate some of the listed documents.

We would appreciate a response which sets forth the current state of Alyeska's and Wackenhut's efforts to locate the following documents and/or an explanation as to why they are unavailable.

I. Detailed billings - containing descriptions of time and expenses. Although we understand that these bills are comprised of entries already set forth on time records, we do not have all the time records, e.g., Black (March, April), Bernstein, Mugarra. Nor do we have a breakdown of expenses, e.g., cost of surveillance equipment. We have information that these billings were, in fact, kept in the SID binders along with bills for other SID investigations. We also have information that the bills were kept in the billing file referred to below. In addition, we understand that the billings were kept on back up disks along with the billings for other SID investigations in progress at the same time. Therefore, if the disks containing 427 billings were lost, then billings for all contemporaneous matters would also have been lost.

II. Interview of Janet Lago - Document #502995 indicates that Janet Lago was interviewed. We were not provided with either notes or a memorandum of that interview.

III. Hamel trash - the file indicates that Wackenhut hired Gerald Davis to "trash" Hamel's residence on several occasions including May 17, 23 and 30. We have files which are described as containing items obtained from the trash on May 17 and 30, but not on May 23, although Davis reported to Black that he picked up 4 bags on that date.[1] Also, Document #445753-445755 indicates that Davis performed "professional services" for Black on four different occasions. We know that three were trash collections. What was the fourth? If it was another trash collection, where is the trash?

IV. Listed files - document #402352 is a list of files Wackenhut maintained for case 427. Most of the listed files have been produced, although some are empty folders. We understand that the empty files reflect folders which were created, but not actually used. However, there are files listed for which we have not received even an empty folder:

1. Billing file
2. Graphics file
3. WBB - notes[2]
4. RL - notes
5. Management Analysis Company Book[3]
6. GAIA - Atlas

V. Valdez interviews - it is unclear from the file whether Wackenhut actually conducted videotaped interviews while in Alaska in April 1990. Document #503080

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[1] Ricki Jacobson's inventory of Hamel's trash indicates that one of the files labeled as trash collected on 5/30 may actually be trash collected on 5/23. Please confirm.

[2] We understand that SID notes are kept in two file cabinets, one black and one gray, located in the SID and that Janet Lago was responsible for filing all notes given to her by investigators working on the 427 matter.

[3] We understand that this book is a "how to" book about corporate surveillance techniques. It need not be copied in its entirety. However, we would like to review it to determine what portions we would like to have copied.

indicates that there may have been interviews, but that they did not yield helpful information. We want tapes of any interviews held, whether or not Wackenhut or Alyeska considered them to be helpful.

VI. Audiotape of phone conversation - Document F2R414802-F2R414814 appears to be a partial transcript of a telephone conversation between Black and Hamel. We do not have a copy of the tape. Nor do we know when the conversation occurred, although by the content it appears to have been in early August 1990.

VII. Photographs of Kathy Hamel - The file indicates that Wackenhut took photographs of Kathy Hamel outside her home in Alexandria, Virginia on or about April 7, 1990. We do not have copies of those photos.

VIII. Items given to the news media - We have received phone calls from reporters who have quoted from documents which would appear by their content to be from the Wackenhut/Alyeska file on the Hamel investigation. For example, a memorandum from Black to Wellington regarding a vacation taken by Jeff Petrich, a Committee staff attorney, and a letter from someone at Alyeska to Bill Richey regarding Richey's advice on destruction/preservation of documents. Of course, we do not know the full extent of documents which were not provided to the Committee, but which may somehow have been obtained by the news media.

IX. Memoranda of certain activities - The file indicates that Alyeska required Wackenhut to report on every contact with Chuck Hamel. In fact, even inconsequential contacts with Hamel were the subject of memoranda to Pat Wellington. However, there is no memorandum among the documents provided to us which reports on the May 9, 1990 trip to Virginia during which Black and Jacobson met with Hamel at his office and at his home. Nor is there any record of the documents Black obtained from Hamel's home or office on that date. There is no memorandum to Wellington regarding the rather lengthy videotaped meetings between Black and Hamel on August 30, 1990 despite memoranda having been prepared after similar videotaped meetings.

We would appreciate a response to this letter prior to the hearings on November 4 and 5, 1991.

Sincerely,

Linda J. Chase
Chief Counsel - Investigations

LJC:mm
cc: Marshall L. Matz, Esq.
Janet R. Studley, Esq.

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October 29, 1991

Linda J. Chase
Chief Counsel-Investigations
U.S. House of Representatives
Committee on Interior
and Insular Affairs
Washington, DC 20515-6201

Re: The Wackenhut Corporation
H&K File No. 06266-38

Dear Ms. Chase:

Enclosed is a copy of a file delivered to us by Gerald Davis Investigations. Many of these documents have previously been produced by either Alyeska or Wackenhut. Nevertheless, we copied his entire file and have attached it to this letter. The documents have been continuously numbered 000372 through 000426.

If you have any questions, please do not hesitate to contact the undersigned at (305) 375-7745. Also, please acknowledge receipt of the documents by signing the receipt attached hereto.

Very truly yours,

HOLLAND & KNIGHT

Gregory A. Baldwin

JC/tb
Enclosures

EXHIBIT 145

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October 30, 1991

**VIA TELEFAX: (202) 226-0200**

Linda Chase, Esq.
House Interior and
Insular Affairs Committee
U.S. House of Representatives
Washington, D.C. 20515-6201

Re: Wackenhut Investigation of Proprietary Information and Documents Stolen from Alyeska
H&K File No. 06266-38

Dear Ms. Chase:

This will respond to your letter dated October 24, 1991. Your letter listed nine categories of documents about which you had questions and asked for a response from Bob Jordon and me setting forth the current state of our collective efforts to locate the documents. The letter will respond to each inquiry as listed by you.

I. Detailed Billings: Wackenhut has produced to the Committee copies of all documents located thus far. Wackenhut has also retained an expert to assist in the search of the computer systems and software to determine what, if anything, further can be done to retrieve the data and to retrieve additional data if possible. This effort is ongoing and if it results in additional information or documentation, it will be promptly forwarded to the Committee. We note that Mr. Jordon's response discusses Alyeska's efforts to locate the original detailed billings.

II. Paul, Hastings' interview of Janet Lago: We have no direct knowledge of this and direct your attention to Mr. Jordan's response.

EXHIBIT 146

III. Hamel's trash: The trash collected on May 23, 1990 by Gerald Davis is listed on Ricki Jacobsen's inventory memo dated June 5, 1990 (see Alyeska Doc. # F2R 418415).

With respect to the fourth professional service performed by Gerald Davis, please see Alyeska documents F2R 445519-25. These documents were obtained by Gerald Davis in July, 1990.

IV. Wackenhut File Listing: As far as we have been able to determine all of the files described in document 402352 were delivered to Paul, Hastings in April 1991. We are unable to locate the specific files mentioned in your letter.

V. Valdez Interviews: To our knowledge, there were no videotaped interviews conducted in Valdez. We have no knowledge of Document #503080 which is referenced in Part V of your letter.

VI. Audio tape of phone conversation: We have been unable to locate any tape corresponding to Document F2R414802 - F2R414814 referred to in Part VI of your letter.

VII. Photographs of Kathy Hamel: As we understand it, these photographs were forwarded to Alyeska by Rick Lund along with a memorandum dated April 7, 1990. It appears that the memo is incorrectly dated because it refers to events occurring between April 30, 1990 and May 2, 1990. The negatives of these photographs were sent to Paul, Hastings in April, 1991. We do not have those negatives, nor do we have copies of the photographs in our possession.

VIII. Items given to the news media: The only disclosure of documents that Wackenhut has made has been to Alyeska and to the Committee. We are unaware of any documents that have not been provided to the Committee but which may have somehow been obtained by the media.

IX. Memoranda of certain activities: We have no knowledge of any memoranda or reports relating to the May 9, 1990 meeting or the August 30, 1990 meeting.

If you have any other questions, please do not hesitate to contact us.

Very truly yours,

HOLLAND & KNIGHT

Gregory A. Baldwin

GAB:rc

06266 LChase:wp222

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ROBERT E. JORDAN, III
(202) 429-8280

October 31, 1991

Linda Chase, Esquire
House Interior and
Insular Affairs Committee
U.S. House of Representatives
Washington, D.C. 20515-6201

Dear Ms. Chase:

This letter responds to your letter of October 24, 1991 to Greg Baldwin and me concerning various categories of documents that you believe may exist or existed at some time in the past relating to the Wackenhut investigation. This letter will discuss the various categories in the order listed in your letter.

Item I - Detailed Billings: As indicated in our September 17 and 23, 1991 letters, we have engaged in extensive efforts to locate the detailed billing statements sent to Alyeska from Wackenhut during the course of the investigation. Those bills, as we previously advised you, were sent directly to Pat Wellington, along with a non-detailed version of the bill. It was his responsibility to review the detailed bill before approving payment. After thorough investigation, including discussions with Mr. Wellington, Mr. Iversen, Mr. Trotter, and Donald Evans, Wackenhut's Alaskan representative, we believe that Mr. Wellington forwarded only the nondetailed version of the bill to Donald Evans, on which Wellington or his designee would indicate Alyeska's agreement that the amount reflected in the bill could be included in the total billing from American Guard and Alert Company to Alyeska. Alyeska's copy of the detailed version of the bill was initially retained, but apparently discarded by Mr. Wellington's office. Outside counsel conducted a complete review of the Security Department's files, and detailed bills were not located.

I understand that Wackenhut has been able to locate partial records responsive to your request for detailed billings. Specifically, I understand that Wackenhut has furnished the

Committee with four detailed bills that were located in their office, covering the period from late October 1990 through April 1991. In addition, I understand that Wackenhut has provided the Committee with several batches of materials that constitute a hard copy printout of a "Timeslips" billing data management program that contains all the basic information that was used to create the detailed billings that it sent to Alyeska. Wackenhut provided copies of the detailed bills it had to us at the time it furnished them to the Committee in late September, and has since provided us with a printout of the "Timeslips" data produced to the Committee on October 15, 1991.

Our review of these materials confirms our understanding, which we have discussed with you before, that the detailed billings contained, for the most part, information identical to that found on the daily activity reports and similar documents for Wayne Black previously supplied to the Committee. Thus, we continue to believe that the missing detailed billings would not provide further details about the conduct of the investigation than what the Committee already has.

Nonetheless, in an effort to be as helpful to the Committee as we possibly can be on this issue, we have undertaken a major project to "recreate" the detailed billings, to the extent possible, from the "Timeslips" data. This process involved reorganizing the "Timeslips" data into chronological order by Wackenhut employee. Also merged into this format is the information from the four detailed bills that have been located. The results of that project are enclosed with this letter. (Documents F2R416045-416141).

We sincerely hope that this will help put to rest any possible concern on your part that there is anything mysterious or troubling about the detailed billings. With this exercise complete you have detailed billings, or their functional equivalent, for the entire investigatory period except the most early stage, beginning in March through April 21, 1990. We believe that the daily activity reports and "pegboard" slips for Wayne Black for this time period found in Exhibit 64 (F2R415006-415127) provide the same information as would have appeared on the detailed bill for that period.

Short of locating Alyeska's copy of the detailed billings, which seems extremely unlikely given the exhaustive search already undertaken, I cannot think of any further steps to assist you. I think you can have confidence, given the similarity of the daily activity reports with the detailed billings that Wackenhut has located, that no new information

would be found, in any event. Please let me know if you have any further questions on this subject.

Item II -Interview of Janet Lago: We have contacted counsel from Paul, Hastings who conducted the interviews of Wackenhut personnel. We have been advised that they met Ms. Lago, who is Wayne Black's secretary, but did not interview her concerning the investigation.

Item III - Trash Covers on Hamel: The sources most likely to have answers to the questions you posed are at Wackenhut, and we understand that Mr. Baldwin has furnished you with a reply on this subject.

Item IV - Wackenhut File Listing: You will recall that we brought this file listing to your attention in our letter of September 23, 1991. As we informed you at that time, we brought this listing and the missing file folders to the attention of Wackenhut and asked them to conduct a further search at that time. I understand that Mr. Baldwin has addressed this subject in his response to your letter.

Item V - Valdez Interviews: It is our understanding that Wackenhut did not videotape any such interviews. We understand that Wackenhut employees Rick Lund and Gary Crep spoke with several individuals in Valdez (see April 23, 1990 memorandum from Crep to Wellington). We understand that these were informal conversations in public places and that none of these conversations were recorded.

Item VI - Audio Tape of Telephone Conversation: Document F2R414802-414814 is a hardcopy printout of one of the files contained in the Wackenhut computer diskettes produced to the Committee on September, 11, 1991. We do not have an audiotape of this conversation in our files, nor do we have a record of ever having had such an audiotape. The sources most likely to have answers to the questions you posed are at Wackenhut, and we understand that Mr. Baldwin has furnished you with a reply on this subject.

Item VII - Photographs of Kathy Hamel: We have no such photographs in our possession. However, upon further checking of the original investigation files, counsel from Paul, Hastings have located an envelope containing negatives for the photographs referred to in your letter. We have had prints made from the negatives, copies of which are enclosed with this letter. (Documents F2R416142-416154).

Item VIII - News Media: As indicated in our letters of October 4 and 17, Alyeska has not provided any documentary materials relating to the Wackenhut investigation to any news media organization. We are thus unable to offer any information concerning documents in the possession of the press allegedly relating to this investigation. After checking the investigation files again, however, we can confirm that we do not have in our possession the two documents mentioned in your letter. In addition, both Lon Trotter and William Richey have informed us that they have no knowledge of the correspondence described in your letter, other than the January 17, 1991 legal memorandum that has already been produced to the Committee.

Item IX - Memoranda of Certain Activities: As explained in previous letters, we have made every effort to obtain all materials relating to the investigation and provide them to the Committee. After receiving this letter, we asked counsel from Paul, Hastings once again to check the four boxes of investigation files in their possession for any materials prepared by any Wackenhut personnel or subcontractors, either in hard copy or computer format, that had not already been provided to the Committee. No such materials were found.

However, counsel from Paul, Hastings did find two items during their review of the investigation files that had not been produced to the Committee previously: the photographic negatives referred to in Item VII, above and a small envelope containing a safety deposit key. Counsel from Paul, Hastings informed us that they found the envelope containing the safety deposit key in the bottom of the Exhibit 47 folder. Wackenhut has advised us that the key was for a safety deposit box Sherree Rich rented upon establishing the Ecolit office in Crystal City. The safety deposit account and a regular checking account were opened at a First American branch in Virginia, and we have been informed that both accounts were closed at the same time. We understand that Mr. Baldwin can provide further information on this issue if you have any questions. A xerox photograph of the key is enclosed (F2R416155), and we will make the key available for your inspection if you so desire. If, after discussions with Mr. Baldwin, you have further need for access to the key, please let me know so that we can make suitable arrangements.

After learning that counsel from Paul, Hastings had located these two items in the investigation files, we had further discussions about any other files that might possibly contain responsive materials. This additional review has produced a one page memorandum entitled "T/B Exxon Galveston" (F2R416156), and seven microcassettes that, according to counsel from Paul, Hastings, were used by Ricki Jacobson to record the

entire three day content of the "Frontier Thinking" conference she attended in Anchorage on March 21-23, 1990. We have been informed that Wayne Black turned these materials over to Paul, Hastings before the contents of the 427 investigation files were shipped from Wackenhut to Los Angeles in April, 1991. As a result, they were not incorporated into the four boxes of investigation files ultimately copied and produced to the Committee. We are having the tapes copied on an expedited basis and will produce copies to the Committee as soon as this process has been completed. No transcripts of these tapes were found in the investigation files, and we believe that none were ever made.

Counsel from Paul, Hastings has assured us that they do not possess any additional materials relating to the 427 investigation that have not previously been produced to the Committee. Finally, we are producing copies of two documents from the files of Richey, Munroe, Fine, Goodman, and Armstrong that may be responsive to your requests (F2R416003-416044).

Please call me if you have questions about any of the responses set forth above.

Sincerely yours,

Robert E. Jordan, III
Counsel for Alyeska Pipeline
Service Company

cc: The Honorable Don Young
(w/out enclosures)
David Dye, Esq.

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November 3, 1991

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VIA HAND DELIVERY

Linda Chase, Esquire
Office of Investigations
House Committee on Interior and
Insular Affairs
483 Ford House Office Building
2nd and D Streets, S.W.
Washington, D.C. 20515

Re: Computer Information

Dear Ms. Chase:

Enclosed herewith is a copy of a letter dated November 1, 1991, to James Rowan, Wackenhut General Counsel, from Mr. Harold Gubnitsky, an independent outside computer expert employed by Systems Consulting Group, Inc. We asked Mr. Gubnitsky to review the SID computer files for the purpose of identifying and printing all documents regarding case number 427. The documents found through this process have been reviewed by us, and our review indicates that all of them have already been turned over to the Committee pursuant to the Committee's subpoena.

In addition, we are enclosing a copy of a second letter to Mr. Rowan, from Mr. Gubnitsky, also dated November 1, in response to our request to print out all of the audit trail information contained in the SID computers. Mr. Gubnitsky has printed the audit trail information for two of the three computers in SID, and copies are enclosed for your review. As soon as the audit information is printed for the third computer it will also be forwarded to you.

Very truly yours,

HOLLAND & KNIGHT

Gregory A. Baldwin

GAB:aye
Enclosures

EXHIBIT 148

SCG THE SYSTEMS CONSULTING GROUP, INC.

November 1, 1991

James P. Rowan, Esq.
Vice President and General Counsel
The Wackenhut Corporation
1500 San Remo Avenue
Coral Gables, Florida 33146

Dear Mr/ Rowan:

On November 1, 1991, The Systems Consulting Group (SCG) was asked to review and analyze the personal computers located in the Special Investigations Department of The Wackenhut Corporation for audit trail information. For each of two computers, audit trail reports were produced indicating all activities for each file, by date and time. Audit trail reports show all available information for these programs by user ID and case numbers. These reports were reviewed and delivered to The General Counsel of The Wackenhut Corporation on the afternoon of November 1, 1991..

We are currently in the process of running the same audit trail reports for the third computer located in the Special Investigations Division. The person maintaining the security password for that machine is currently out of town, and we are in the process of contacting him and running the associated audit reports. Upon completion of this task, we will deliver all available audit reports for this third computer to The General Counsel of The Wackenhut Corporation.

Very truly yours,

Haraold R. Gubnitsky
The Systems Consulting Group, Inc.

9010 SW 137th Avenue • Suite 231 • Miami, Florida 33186 • (305) 386-5357 • Fax (305) 386-3285




November 1, 1991

James P. Rowan
Vice President and General Counsel
The Wackenhut Corporation
1500 San Remo Avenue
Coral Gables, Florida 33146

On October 29, 1991 The Systems Consulting Group (SCG) was asked to review the Special Investigation's department personal computer files to identify and print any documents referencing the case numbers 427 or 724.

On the afternoon of October 29, I was assisted by another SCG manager and we began our review of the three personal computers located in the Special Investigations department. This review included:

1) Using PC sofware utilities to ensure no files were hidden on the hard drives.
2) Searching all wordperfect directories for case #427 or #724.
3) Printing off any records or reports associated with the TimeSlip billing system relating to case #427 or #724.

All documents identified during this review referencing case numbers 427 or 724 were then printed and turned over to the Wackenhut Corporation's General Counsel on November 1, 1991.

Sincerely,

Harold R. Gubmitsky
The Systems Consulting Group, Inc.

9040 SW 137th Avenue • Suite 231 • Miami, Florida 33186 • (305) 386-5357 • Fax (305) 386-3285

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U.S. House of Representatives
Committee on
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REPUBLICAN STAFF DIRECTOR

November 19, 1991

Gregory A. Baldwin, Esq.
Holland & Knight
P.O. Box 015441
1200 Brickell Avenue
Miami, Florida 33101

Dear Greg:

You may recall that my October 24, 1991 letter to you and Bob Jordan sought the files described on a list of 427 files set forth on document number 402352. In particular, my letter asked for the file "Management Analysis Company book" and, in a footnote, asked for the book or at least a copy of the table of contents.

Your October 30, 1991 letter states that as far as you have been able to determine, all the files were sent to Paul, Hastings. However, no mention was made of the book which was presumably contained in the file. Does Wackenhut have a copy of the Management Analysis Company book (whether it is part of the 427 or any other file)? Does Wackenhut represent that the book was in the file when it was sent to Paul, Hastings? If it was not, why was there a file with the book's name on it which did not contain the book?

Please clarify your October 30, 1991 response regarding this matter.

Sincerely,

Linda J. Chase
Chief Counsel - Investigations

LJC:mm

EXHIBIT 149

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ROBERT E. JORDAN, III
(202) 429-6290

November 20, 1991

The Honorable George Miller
Chairman, House Interior and
Insular Affairs Committee
U.S. House of Representatives
Washington, D.C. 20515-6201

Dear Chairman Miller:

In the course of the hearing on November 6, 1991, Mr. Garibaldi was asked if he could provide assistance to the Committee with respect to the detailed billing statements sent by Wackenhut to Alyeska during the course of the investigation. Mr. Garibaldi, as a BP executive at the time, had no involvement in the Wackenhut billing process at all. Therefore, he has asked that Alyeska furnish a response to you.

Alyeska has considered again whether there are any further inquiries or steps it could take to locate the missing detailed billing statements that were in its possession at the time of the investigation. All reasonable possible sources have been probed. Those include Mr. Wellington, the recipient of the billing statements, Mr. Iversen, his deputy, Mr. Evans, the individual at American Guard and Alert who received approval from Alyeska to include the billing amount in the overall American Guard bill, Lon Trotter, Alyeska's in-house counsel who collected documents relating to the Wackenhut investigation for transmission to the Paul, Hastings, firm in the Spring of 1991, and Joel McIntyre, the Paul, Hastings partner responsible for the representation of the Owners Committee in this matter. In addition, the files of Alyeska's Security Department, as well as other files of Messrs. Wellington and Iversen, have been reviewed by outside counsel. Finally, we have pursued this matter on a number of occasions with Wackenhut. We understand that they also undertook several efforts to locate these materials, including retaining an outside computer consultant who tried to recreate these materials from data in Wackenhut's computer system.

There do not appear to be any further steps that we could reasonably undertake at this point. We respectfully refer to our letters of September 17 and 23 and October 31 concerning the likely content of the detailed billings and for further detail concerning our search process.

Sincerely,

Robert E. Jordan, III
Counsel for Alyeska Pipeline
Service Company

cc: The Honorable Don Young
Linda Chase, Esq.
David Dye, Esq.

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Attorney's Direct Dial

January 22, 1992

Linda J. Chase, Esquire
Chief Counsel on Investigations
U. S. House of Representatives
Committee on Interior and Insular Affairs
Washington, D.C. 20515

Re: Management Company Analysis Book

Dear Ms. Chase:

This is in response to your inquiry of November 19, 1991 concerning the Management Company Analysis Book. I apologize for the delay in answering your letter, which was caused in part by the intervening holidays, but more by our attempts to "track down" the Book and accurately answer your questions. I hope this has not caused you or the Committee any inconvenience.

You have inquired whether the Wackenhut Corporation has a copy of the Management Company Analysis Book. We have been unable to locate a copy of that Book in any file. However, it is our understanding that this Book was submitted to Wackenhut by Alyeska. We inquired about this through Alyeska's counsel at Steptoe & Johnson, and I believe that they may have found a copy of the Book at Alyeska. It is my understanding that Alyeska's counsel will contact you about this.

You also inquired whether Wackenhut represents that the Book was in the investigative file sent to Paul, Hastings. The only record we have of the contents of the investigative file sent to Paul, Hastings is the index which was prepared at the time the file was sent. Since that index does not include the Management Company Analysis Book, we can only conclude that it was not sent to Paul, Hastings.

EXHIBIT 151

Finally, you asked why there was a file with the Book's name on it which did not contain the Book. We are not aware of any such file having been sent to Paul, Hastings, and as noted above, no such file appears on the index of materials sent to that firm.

Very truly yours,

HOLLAND & KNIGHT

Gregory A. Baldwin

GAB/pjw

06266WL 0038BOOK:wp227

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GENERAL COUNSEL
DANIEL VAL KISH
REPUBLICAN STAFF DIRECTOR

January 31, 1992

VIA TELECOPY AND U.S. MAIL

Robert E. Jordan, III, Esq.
Steptoe & Johnson
1330 Connecticut Avenue, N.W.
Washington, D.C. 20036

Dear Bob:

It is my understanding that you received a copy of the "Management Analysis Company book" from Alyeska some time ago. Please provide me with a copy of it or produce the original to me for review as soon as possible.

Sincerely,

Linda J. Chase
Chief Counsel - Investigations

EXHIBIT 152

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ATTORNEYS AT LAW

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ROBERT E. JORDAN, III
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February 4, 1992

Linda Chase, Esquire
Chief Counsel on Investigations
Committee on Interior and Insular Affairs
U.S. House of Representatives
483 Ford Building (HOB Annex 2)
Third and D Streets, S.W.
Washington, D. C. 20515

Dear Linda:

I am following up on our telephone conversation of last Friday concerning the Management Analysis Company document.

As I indicated to you at that time, we are puzzled as to why the Management Analysis Company document was furnished to Wackenhut. It appears to be simply a consultant's study of the Alyeska project management process. We are virtually certain that this is something which Pat Wellington would have given to Wackenhut since he was the only source for background material at the outset of the investigation. We do not understand why the Management Analysis Company document would have been viewed as helpful or in any way relevant to the investigation.

Pat does not have any recollection of making this document available. In an effort to refresh his recollection we showed him the document once we had located it from another source in Alyeska. That did not improve his recollection.

I am furnishing the enclosed copy of the document pursuant to our discussion last Friday, which was to the effect that you could review it, return it if you found it of no relevance to your investigation, or copy any pages which you perceived relevant and advise me which pages had been copied, returning the document itself. The only reason for my requesting

this handling of the document is that it was treated as a "close hold" or limited distribution document within Alyeska, and I was advised that only a half dozen or so copies of the document were available within Alyeska.

Please let me know if you have any questions.

Sincerely yours,

Robert E. Jordan III

cc: David W. Marquez, Esquire

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U.S. House of Representatives
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RICHARD MELTZER
GENERAL COUNSEL
DANIEL VAL KISH
REPUBLICAN STAFF DIRECTOR

February 6, 1992

**BY TELECOPIER AND U.S. MAIL**

Robert E. Jordan, III, Esq.
Steptoe & Johnson
1330 Connecticut Avenue, N.W.
Washington, D.C. 20036

Dear Bob:

Enclosed is the Management Analysis Company report you provided to me for review. Although this report does not appear to be relevant to the Wackenhut investigation, since it was presumably contained in the Wackenhut files, I have copied the cover, the table of contents, and the introduction (pp. 1-4) for our records.

We have been informed that Management Analysis Company has prepared a report regarding the subject of "whistleblowers," although it has not been suggested that any such report was prepared for Alyeska. Please let me know whether Mr. Wellington is aware of such a report and whether he may have obtained a copy and provided it to Wackenhut.

Sincerely,

Linda J. Chase
Chief Counsel - Investigations

LJC:mm
Enclosure

EXHIBIT 154

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ROBERT E. JORDAN, III
(202) 429-6220

February 7, 1992

VIA FACSIMILE AND U.S. MAIL

Linda Chase, Esquire
Chief Counsel on Investigations
Committee on Interior and Insular Affairs
U.S. House of Representatives
483 Ford Building (HOB Annex 2)
Third and D Streets, S.W.
Washington, D. C. 20515

Dear Linda:

I am responding to your letter of February 6, 1992 regarding a possible report prepared by Management Analysis Company on the subject of whistleblowers.

We have never heard of any such report, but I have initiated inquiries both with Mr. Wellington and with others at Alyeska to determine whether any such report was furnished to Alyeska and provided to Wackenhut. I will be back in touch with you as soon as those inquiries are complete. I do not anticipate that it should take us very long to pursue this matter.

Sincerely yours,

Robert E. Jordan III
Counsel for Alyeska Pipeline
Service Company

EXHIBIT 155

RUBIN BAUM LEVIN CONSTANT FRIEDMAN & BILZIN
A PARTNERSHIP INCLUDING PROFESSIONAL ASSOCIATIONS
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* ALSO A MEMBER OF NEW YORK BAR

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FREDERICK BAUM (1908-1988)

* ALSO A MEMBER OF FLORIDA BAR

October 31, 1991

*Via Telecopy and Federal Express*

Linda J. Chase, Esq.
Chief Counsel on Investigations
U.S. House of Representatives
Committee on Interior and Insular Affairs
483 Ford Building
Washington, D.C. 20515-6201

Re: Wayne B. Black; November 4 and 5, 1991 Hearings

Dear Ms. Chase:

This will confirm the information conveyed to you at our meeting on October 16, 1991 that Mr. Black has not, since on our about April 16, 1991 (the date that The Wackenhut files with respect to the subject investigation were delivered to counsel for Alyeska), been in possession or control of any documents responsive to the October 9, 1991 subpoena that have not been delivered to counsel for The Wackenhut Corporation.

In addition, please be advised that at the time of Mr. Black's appearance before the Committee in response to the subject subpoena, Mr. Black wishes to invoke the provisions of Rule 12(f)(2) of the Rules of the Committee to the effect that Mr. Black not be photographed, etc. at that time.

Very truly yours,

LARRY A. STUMPF

LAS/lzc

[illegible]

EXHIBIT 156

The Speaker's Room
U.S. House of Representatives
Washington, DC 20515

Wm. Holmes Brown
PARLIAMENTARIAN

November 4, 1991

The Honorable Don Young
U.S. House of Representatives
2331 Rayburn House Office Building
Washington, DC 20515

Dear Representative Young:

I have reviewed your letter of November 1, 1991, in which you interpret four aspects of clause 2(k)(5) of Rule XI and then ask whether those interpretations are correct. I understand your interpretations of clause 2(k)(5) to be as follows: (1) that either a witness or a member of the committee may assert that evidence or testimony at an investigatory hearing may tend to defame, degrade, or incriminate a person; (2) that the person whom evidence or testimony assertedly may tend to defame, degrade, or incriminate can be <u>any</u> person, even a person who is not a witness or is not present at the hearing; (3) that, notwithstanding the failure of a quorum to appear, a failure to determine that testimony or evidence <u>may tend</u> to defame, degrade, or incriminate under paragraph (A) precludes the committee from proceeding in open session unless it subsequently determines that the evidence or testimony <u>will not</u> tend to defame, degrade, or incriminate any person; and (4) that, if there is an assertion that testimony of all witnesses will tend to defame, degrade, or incriminate any person and the committee receives their testimony in closed session, it may not return to open session without following the procedures in paragraph (B).

Your interpretations of clause 2(k)(5) of Rule XI as summarized above are correct.

If I may be of any further assistance to you, please let me know.

Sincerely,

Charles W. Johnson (Deputy) for

Wm. Holmes Brown
Parliamentarian

EXHIBIT 157

WACKENHUT
SECURITY SYSTEMS AND SERVICES THROUGHOUT THE WORLD

EXECUTIVE OFFICES

THE WACKENHUT CORPORATION
1500 SAN REMO AVENUE
CORAL GABLES, FLORIDA 33146

[305] 666-5656

October 21, 1991

Linda Chase
Chief Counsel, Investigations
House Committee on Interior and
Insular Affairs
Washington, DC 20515

Dear Ms. Chase:

Thank you for your letter of October 18, 1991 inviting me to testify before the Committee concerning Wackenhut's investigation into the theft of documents from Alyeska.

The Wackenhut Board of Directors will be meeting on Friday, October 25, 1991 and I would like to discuss your request with them at that time. I anticipate that I will have a formal answer to your invitation by Monday, October 28.

Sincerely,

G. R. Wackenhut

George R. Wackenhut
Chairman of the Board

EXHIBIT 158

WACKENHUT
SECURITY SYSTEMS AND SERVICES THROUGHOUT THE WORLD

EXECUTIVE OFFICES

THE WACKENHUT CORPORATION
1500 SAN REMO AVENUE
CORAL GABLES, FLORIDA 33146

[305] 666-5656

October 31, 1991

The Honorable George Miller, M.C.
2228 Rayburn House Office Building
Washington, D. C. 20515-0507

Dear Mr. Chairman:

I want to express my personal appreciation for your meeting with me on Wednesday. It was important to me that I be given an opportunity to explain how painful a process this has been, and to what lengths Wackenhut is going to make certain that your Committee has our total cooperation.

In order to clarify any questions or misunderstandings of what actually transpired over the course of our investigation for Alyeska, it is within your authority and jurisdiction as Chairman of the House Committee on Interior and Insular Affairs to hold these hearings. I concur with your decision. All I have ever wanted, from the very beginning of this ordeal, was to be given a chance to publicly explain why we were retained by Alyeska, how the investigation was conducted, and, if asked, to present our findings to your Committee. I thank you for making that possible.

Again, Mr. Chairman, let me say what an honor it was to meet with you, and how much I look forward to testifying before your Committee on Monday or Tuesday, next.

Respectfully,

George R. Wackenhut
Chairman

GRW:dw

EXHIBIT 159

THE WALL STREET JOURNAL TUESDAY, NOVEMBER 19, 1991 A5

# Wackenhut May Shut Special-Probe Unit After Outcry Over Oil Industry Critic

By Allanna Sullivan
*Staff Reporter of The Wall Street Journal*

Wackenhut Corp., the nation's third-largest security firm, is debating whether to close down its special investigations business because of the bad publicity over its surveillance of an oil industry critic.

The possible closure of that division, which provides less than 1% of the Coral Gables, Fla., company's revenue—$521 million last year—isn't a big deal monetarily for Wackenhut. But the possibility of the move is a reaction to allegations currently being examined by a congressional panel over whether that division may have broken laws while conducting a surveillance ordered by a consortium of oil companies on industry critic Charles Hamel. Those charges have given both Wackenhut and the oil companies a black eye.

To date Wackenhut has stood by Wayne Black, the executive who directed that surveillance. But that stance changed last week when the company accepted his tendered resignation after one of the directors received several letters from employees claiming that Mr. Black was trying to intimidate them. One of those employees, David Ramirez, had recently testified against Mr. Black before the congressional panel.

Chesterfield Smith, an attorney and outside director, said that at a meeting he attended with senior Wackenhut executives late last week, it was concluded that the notoriety Wackenhut was suffering over the surveillance operation and the "widespread turmoil and unrest" reported among employees within Mr. Black's Special Investigations Division could no longer continue. Following that meeting, Chairman George Wackenhut met with Mr. Black to give him that message. And when Mr. Black offered to resign "Mr. Wackenhut accepted," Mr. Smith said. In addition, he said, the security firm's senior staff was considering closing the unprofitable division because "it was jeopardizing income" from other lucrative operations.

## 'A Great Talk'

Mr. Black characterized his meeting with Mr. Wackenhut as "a great talk." But he did admit that when he reported to work the morning he resigned, he didn't realize it would be his last day.

Mr. Black's departure and the possible closure of his former division could have implications for other security firms, which will likely reassess their special and corporate investigations. Explaining Wackenhut's concern, Mr. Smith said: "The question isn't just whether Wackenhut's activities were legal or not. The notoriety can have a negative effect on our other activities." Wackenhut and other similar firms depend heavily on the security guard business to provide much of their revenue.

Mr. Smith said he didn't believe the security firm had lost business yet. But "the stock has sure reacted negatively," said Michael Pucillo, an attorney representing several Wackenhut shareholders who have been pressuring the board to take some action. In late trading yesterday on the New York Stock Exchange; Wackenhut shares were quoted at $24.25, down 12.5 cents.

During the past 52 weeks, the stock has traded as high as $33.75 a share.

Mr. Black's resignation also comes just as the Virginia State Police are concluding their investigation into whether Wackenhut and possibly Alyeska Pipeline Service Co., the oil company consortium, broke any laws during the surveillance of Mr. Hamel, a longtime industry foe and former shipping broker from Alexandria, Va. During that operation, Wackenhut set up two bogus companies as part of a sting, electronically monitored Mr. Hamel's phone conversations and activities within his home, searched his trash and removed documents and mail from his residence without permission.

## Issue of Calls

Ralph Marshall, assistant special agent for that state's criminal investigations bureau, said the state has been looking into allegations made during a recent congressional hearing into the affair that Wackenhut intercepted some of Mr. Hamel's phone calls, specifically some of the calls he was making on a portable phone in a park outside his home. Wackenhut claims those interceptions didn't take place because it has no tapes in its files that would prove it. Mr. Black says it's legal to intercept calls on portable phones.

But Mr. Marshall says such interceptions "are a felony in Virginia except with a court order and there were no court orders." Mr. Marshall is presenting his findings this week to the state prosecutor, who will decide whether to take action against Wackenhut as well as Alyeska. The state has also been looking into charges that Wackenhut wasn't properly licensed to operate in Virginia, an allegation that Mr. Smith readily concedes is true.

A law firm hired by Alyeska owners Exxon Corp., Atlantic Richfield Co., British Petroleum Co., Mobil Corp., Amerada Hess Corp., Unocal Corp. and Phillips Petroleum Co. concluded earlier this year that the consortium and the companies individually might have some liability for Wackenhut's alleged wrongdoing. But an Alyeska spokesman said that the consortium isn't liable for legal infractions by Wackenhut because the security firm was a contractor responsible for its own actions.

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Fax (202) 955-5564

November 20, 1991

The Honorable George Miller
Chairman
House Interior and Insular Affairs Committee
U. S. House of Representatives
Washington, D.C. 20515

Dear Congressman Miller:

On Thursday, November 14, 1991, at about 11:30 A.M., Jeff Freburg, a former employee of The Wackenhut Corporation, delivered a four-page letter to my office, indicating a copy to you. The letter was faxed to me at Wackenhut where I was engaged in a conference with senior executives to determine whether the existing employee-employer relationship between Wayne Black and Wackenhut should be discontinued. Thereafter, George Wackenhut, Wackenhut's Chief Executive Officer, decided that the relationship should be terminated and promptly made arrangements to meet with Black at 3:15 P.M. At about 4:00 P.M., George Wackenhut advised me by telephone that when he had advised Black that the relationship must be terminated, Black stated that he would resign. George Wackenhut promptly accepted that resignation.

At about 5:30 P.M. that afternoon, David Ramirez, an employee of The Wackenhut Corporation, delivered to me a similar four-page letter, also with a copy to you. David Ramirez' letter stated that he had an attorney. I promptly sent a letter to David Ramirez and Jeff Freburg (who are roommates), which was hand-delivered. A copy of that letter is attached.

On Monday, November 18, 1991, I received a telephone call from Billie Garde, Esquire, of the Houston bar, who told me that she was the attorney for David Ramirez, but not for Jeff Freburg. She indicated that Freburg and Ramirez had worked together on the drafting of their respective letters,

and that those letters had been directed to me because your staff had suggested it. She stated that Freburg did not have an attorney. I readily reaffirmed to Ms. Garde statements made by me when I visited with you in your Congressional office on Wednesday, October 30, 1991, to the effect that no reprisals or punitive actions of any sort would be taken against any Wackenhut employee or employees who cooperated through testimony, or other means, with your Congressional investigation. Discussions are underway with Ms. Garde to meet soon with her and her clients who are either employees or former employees of Wackenhut involved in the Alyeska investigation or any of the aftermaths thereto.

At about 6:45 P.M. on Monday, November 18, by telephone I arranged with Jeff Freburg for my law partner, Greg Baldwin, to go over with Freburg everything in his letter. They are meeting today. Greg Baldwin is making similar arrangements with all other willing ex-employees of Wackenhut who have been, or were involved in the Alyeska investigation or any of the aftermaths thereto.

Arrangements also have been instigated by Tim Howard, an in-house Wackenhut lawyer, to urge all present Wackenhut employees of the Investigations Division, jointly or severally, to call to his attention any charges, complaints, or disagreements involving those employees with Wayne Black or other supervisory employees of the Investigations Division.

I reiterate - I report all of this to you only because Ms. Garde advised me that when Messrs. Ramirez and Freburg made their original complaints to your staff, they were told that I had personally assured you that Wackenhut would promptly and fairly process all employee complaints involving the Alyeska investigation or the Congressional hearings and that I would be pleased if all such complaints were called to my attention. I reiterate that commitment - and I solicit information from anyone.

As an incidental comment, I also attach hereto a copy of a memorandum dated November 18, 1991, from Alan B. Bernstein, Executive Vice President, Domestic Operations, to

All Employees and Subcontractors of the Investigations Division.

Sincerely yours,

Chesterfield Smith

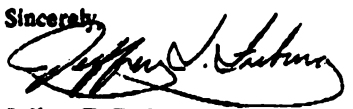
CS/fn

cc: Linda Chase, Esquire, as Chief Counsel, Investigations
Billie Garde, Esquire, as attorney for David Ramirez
Mr. Jeff Freburg

Given the existing atmosphere of partial truths, untruths, and entrapment, I cannot rule out the possibility that David Ramirez and I continue to be the targets of either a Wackenhut investigation or a personal investigation initiated by Mr. Black. I state simply that under the circumstances, I consider the very real possibility that Mr. Black will use his position and resources to conduct such an investigation. Since the termination of my association with the Wackenhut Corporation, Mr. Ramirez and I have received numerous odd phone calls. Inquiries by those who choose not to identify themselves have been made regarding Mr. Ramirez at his undercover assignment, endangering his safety and possibly compromising the entire investigation.

Mr. Smith, I have been advised that you gave a personal assurance that these and other matters relating to SID practices would be investigated. I was also informed that no repercussions would ensue as a result of anyone participating in the Congressional hearings. I write to inform you of my concerns and not because I seek any specific redress. Instead, I am writing out of a concern for current employees and the actions Mr. Black may take next. I trust in your professionalism and hope that if I have any further misgivings I might be able to address them to you.

Sincerely,



Jeffrey T. Freburg
8932 Southwest 142nd Avenue
Apt. 812
Miami, Florida 33186

cc: The Honorable George Miller
Chairman
U.S. House Interior Committee

WACKENHUT

MEMORANDUM

TO: To All Employees and Subcontractors of the Investigations Division

DATE: November 18, 1991

FROM: Alan B. Bernstein
Executive Vice President

DIV/AREA: Domestic Operations

On Thursday, Novewmber 14, Wayne Black resigned as Vice President of the Investigations Division of The Wackenhut Corporation, effective on that date. As the supervisor of Domestic Operations which includes the Investigations Division, I temporarily have taken full responsibility for direct supervision of all pending matters in that Division until such time as management or the Board of Directors makes a final decision on the continuation of various investigatory activities.

UNTIL FURTHER NOTICE, EMPLOYEES IN THE INVESTIGATIONS DIVISION SHALL ENGAGE IN THE FOLLOWING ACTIVITIES ONLY WITH MY EXPRESS CONSENT, WHICH CONSENT WILL BE GIVEN ONLY WHEN CORPORATE LEGAL COUNSEL HAS PASSED IN ADVANCE ON SUCH ACTIVITY:

a. Search and inventory of any individual's or entities' garbage or waste products.

b. Obtain or review financial or credit data on any individuals or entities without their written release.

c. Monitor any persons or entities with any telephone, video or audio surveillance equipment, without the consent of all parties involved.

d. Review telephone toll records of any persons without their consent.

e. Install and utilize telephone pen registers.

It has been well known and thoroughly reported in the news media that during the past several weeks the Committee on Interior and Insular Affairs of the United States House of Representatives has been looking into an investigation made in 1990 by The Wackenhut Corporation on behalf of Alyeska Pipeline Service Company. The Congressional inquiry has not yet concluded, and all Wackenhut employees at every level are and have been urged fully to cooperate with the Congressional Committee. Specifically, The Wackenhut Corporation fully encourages without reservation active cooperation with the Congressional Committee, and The Wackenhut Corporation commits that it will neither take nor permit adverse or punitive action by anyone connected with The Wackenhut Corporation against an employee who in the future fully cooperates with the Congressional

W:2WP 74345 (6-30-84)

Committee, or who in the past has cooperated with the Congressional Committee, including the giving of testimony, affidavits or the supplying of other information or evidence.

If any employee in the future obtains knowledge of a violation of this directive, that employee is directed promptly to bring the matter to my personal attention.

Final draft

November 14, 1991

Chesterfield Smith, Esquire
Holland & Knight
1200 Brickell Avenue
14th Floor
Miami, Florida 33131

Dear Mr. Smith:

My name is David Ramirez, I am an employee of the Special Investigations Division (SID) at the Wackenhut Corporation. I am writing this statement in response to certain activities that have occurred since I provided my testimony to the Congressional Committee assigned to investigate the improper practices of the Wackenhut SID office for their client Alyeska Pipeline Corporation.

By way of background, since being employed at the SID, I have been assigned tasks which include, executive protection, background research and undercover investigations. After being hired, I referred Jeff Freburg to the SID office when Wayne Black expressed interest in hiring another investigator with the same or similar background relative to my own. Mr. Black immediately hired Mr. Freburg as a full-time employee and we both leased a townhouse in Miami.

For a long period of time, I was an apprentice to Rick Lund after showing a great deal of interest in Mr. Lund's work as a technical support expert. I felt I had an advantage over other investigators since I had comparable experience while in the Marine Corps as an Intelligence Analyst. Lund understood that my knowledge of most of his personal equipment was useful in teaching the commercial aspects of technical support.

On Thursday, March 28, 1991, an incident occurred that allowed me the opportunity to observe the erosion of communication at SID. My superiors openly displayed a lack of confidence in my work and questioned my integrity, apparently because of my professional relationship with Adriane Caputi. She had lost faith and confidence in Mr. Black due to an ongoing, deteriorating professional disagreement between the two.

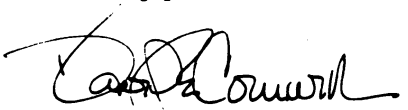
Two months later, I was sent to Mr. Black's office where I was verbally reprimanded for having a "rebellious" attitude toward Gil Mugarra. I was told this attitude was a result of my association with Ms. Caputi. This incident clearly illustrated Mr. Black's intention to discredit Ms. Caputi on a professional and personal level.

Shortly afterward, Ms. Caputi was given an informal assignment to reinvestigate my background which included calling former employers to "find out what made me tick." At the time, co-workers witnessed Mr. Mugarra browsing through my desk while I was on assignment one afternoon, and he apparently reported his findings to Mr. Black. The following morning, Mr. John Mann asked to talk to me about my employment intentions with SID/TWC. Mr. Mann then stated that a person to whom I had sent a resume had notified Mr. Mann of my intentions to seek employment elsewhere. In fact, the resumes

If you or any member of your staff have any questions or queries about the action heretofore taken by the Board of Directors, Chesterfield Smith of Holland & Knight, Miami, Florida, counsel for the Committee of Independent Directors, George R. Wackenhut, Chairman of the Board of The Wackenhut Corporation, or I each would be pleased to visit with you or your staff in your Washington office further to explain or clarify. If you wish to distribute copies of the Report and Resolution to individual Members of your Committee, we will promptly furnish the needed copies upon request.

This brings my regards.

Sincerely yours,



David L. Cornwell
Vice President

TO: BOARD OF DIRECTORS OF THE WACKENHUT CORPORATION

FROM: INDEPENDENT COMMITTEE OF THE BOARD OF DIRECTORS

DATE: JANUARY 24, 1992

RE: CONCLUSIONS AND RECOMMENDATIONS REGARDING INVESTIGATIONS CONDUCTED BY THE WACKENHUT CORPORATION

The following conclusions and recommendations regarding investigations hereafter conducted by The Wackenhut Corporation (sometimes referred to as "TWC") are submitted by a committee of three outside and independent directors (elected by a majority of independent Directors of the Board) consisting of Fredrick M. Glass, as Chairman, Willis M. Hawkins, and Raymond A. Quadt ("Independent Committee") in response to the Board of Directors' charge that the Independent Committee recommend future policies for the company's investigative activities (including special investigations such as the investigation performed by the then Special Investigations Division of TWC ("SID") for the Alyeska Pipeline Services Company ("Alyeska") in 1990. A full and comprehensive review and analysis of the facts and circumstances surrounding the Corporation's prior investigative activities was made by the Independent Committee.

This Report relates only to recommendations for future policies for the Company's investigative activities. Nothing contained herein should be construed as an opinion of the legality of past investigative activities. This Committee, in response to the Board's direction, is continuing to study the Alyeska investigation and will issue a Report with regard to that investigation upon thorough review and analysis of all pertinent and material information, including any report issued by the House Committee on Interior and Insular Affairs, the Report to the Owner's Committee of Alyeska Pipeline Service Company dated January 22, 1991, and any findings resulting from Congressional, state and federal investigations.

The Independent Committee understands the term "special investigations" to refer to investigations which require an unusual degree of internal secrecy; may involve "sting" tactics; and may employ such special investigative techniques as the recording of private actions and conversations, the surreptitious collection and examination of trash, and the purchase and analysis of restricted personal information such as consumer credit data or telephone toll records, all

without the consent of the person being investigated. This definition of special investigations does not encompass the standard investigative activity which has been successfully carried on by TWC for years ("standard investigations"). Standard investigations, while excluding special investigative techniques, include techniques such as the use of photographic or audiovisual cameras in public places, consensual background checks for employment or security clearances, the review of records which are routinely available to the general public, the placement of undercover operatives to detect corporate or shipment theft and the use of pen registers with the consent of the owner of the telephone in question.

The Independent Committee views TWC as a corporation with an outstanding reputation in the field of security, and is confident that the Board expects the Corporation to conform to the highest business and ethical standards in its operations and to provide a work environment which is both productive and congenial. With these goals in mind, the Independent Committee, in addition to the review hereinafter set forth in detail, interrogated corporate officers, agents and employees who, in its judgment, were in a position to assist the Independent Committee in its inquiry into the need for standard and special investigations and their future impact on the economic performance and public image of The Wackenhut Corporation.

## QUESTIONS POSED

The Independent Committee posed the following major questions inherent in the Board's charge to which these conclusions and recommendations respond:

I. Should a public company committed to high business and ethical standards conduct investigations and should such activities, if performed, include both special and standard investigations, as a service to others?

II. What procedures and controls should be in place to ensure that permitted investigations conform to The Wackenhut Corporation's business and ethical standards?

III. What amendments, revisions or additions to existing policies, if any, should be instituted by The Wackenhut Corporation based on its long experience in the investigative field and its experience with special investigations?

## PROCEDURE

The Independent Committee met at the offices of Holland & Knight in Miami, Florida, for five days in December, 1991. Fifteen witnesses who were familiar with the investigative activity of the Company were interviewed (see Attachment 2 for a listing of the names, addresses and titles of the persons interviewed).[1] All witnesses were questioned about Wackenhut's standard and special investigative activities, and the operation of the now defunct SID. In addition, twenty-one exhibits were examined (see Attachment 3 for a listing and description of the exhibits examined by the committee) which, as will be noted, included a review of all reports and opinions rendered by professionals and others regarding the Alyeska investigation as well as a complete record of the oversite hearings regarding that investigation by the Committee of the House of Representative on Interior and Insular Affairs.

## CONCLUSIONS AND RECOMMENDATIONS

I. SHOULD A PUBLIC COMPANY COMMITTED TO HIGH BUSINESS AND ETHICAL STANDARDS CONDUCT INVESTIGATIONS AND SHOULD SUCH ACTIVITIES, IF PERFORMED, INCLUDE SPECIAL INVESTIGATIONS?

TWC is primarily a provider of security services. However, it also routinely provides a number of standard investigative services. Historically, these investigative services have been performed by the Investigations Division, a unit of the TWC Domestic Operations Group., and generally involve background checks for employment and security clearances, insurance fraud investigations, copyright investigations, corporate and trans-shipment theft investigations, and financial background and asset location investigations. In October, 1989, the Special Investigative Division was formed for the purpose of providing TWC clients with more sophisticated investigative capabilities than had traditionally been available to them through the Investigations Division. It was the newly-formed SID that conducted the special investigation for Alyeska. The SID has since been eliminated.

TWC's revenues are primarily received from security services. Though approximately one percent of its revenue comes from investigative services, management asserts, and the Independent Committee concurs, that commercial clients expect a security company to be able to provide the standard investigative services they routinely require (e.g. background checks for employment, insurance investigations,

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[1]One witness was interviewed by telephone.

security clearance at government installations, etc.). These client expectations do not generally include special investigations and, in fact, special investigations have accounted for less than one tenth of one percent of TWC's total revenues since the formation of SID.

Special investigations often use controversial techniques not used in standard investigations. Public reaction to these techniques indicates that they are generally viewed as improper, whether or not they conform to the letter of the law.[2] The Independent Committee concluded that TWC's association with special investigative techniques, even if performed legally and properly, could over time have a negative impact on its foreign and domestic clients; its government contracts--despite superior performance; and its reputation as an ethical and well-managed security provider.

The secrecy generally involved with special investigations tends to shield those investigations from the established corporate procedures and input applicable to all other TWC activities. Consequently, management's usual level of monitoring and control is made more difficult by such investigations.

Special investigations also require a high-level of legal and investigative sophistication and experience. This sophistication and experience is of particular importance because, as stated in the preceding footnote the laws which regulate investigative procedures differ--and in many instances substantially--from state to state. Human error and confusion remain a possibility in such a complex arena. Providing the necessary expertise inevitably raises the costs of this financially marginal investigative service. Even, however, if the necessary expertise were cost effective, the Independent Committee believes the inherent secrecy which tends to shield special investigations from corporate control would leave TWC vulnerable to a deviation from its standards and a loss of public confidence.

The Independent Committee concludes: 1) that the provision of standard investigative services to commercial clients is necessary as an adjunct to TWC's security business, but that special investigations which utilize costly, controversial investigative techniques that could subject TWC to public censure are not usually either

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[2]Because of its inherent complexity and wide variations in statute from state to state, the legality of particular investigative techniques was not addressed by the Independent Committee in this memorandum for the purpose of recommending future policies for investigative activities.

desirable or necessary and should be undertaken only when deemed necessary and subjected to strict internal monitoring and control; 2) that Wackenhut's financial health and future business development in its three major areas of endeavor (foreign operations, domestic operations and government contracts), might be negatively impacted by adverse public reactions to the routine use of special investigative techniques.

II. WHAT PROCEDURES OR CONTROLS SHOULD BE IN PLACE TO ENSURE THAT PERMITTED INVESTIGATIONS CONFORM TO THE WACKENHUT CORPORATION'S BUSINESS AND ETHICAL STANDARDS?

To maintain The Wackenhut Corporation's high ethical and business standards, to better support and educate its employees and to avoid all activity which might engender public censure or misunderstanding, the Independent Committee recommends the following controls and procedures for future permitted investigations:

1. All investigations must be subject to The Wackenhut Corporation's business, operational and accountability procedures.

2. A comprehensive list of all approved policies and procedures for investigations should be compiled by management with appropriate professional input in a manual ("Manual"), provided to each investigator and subject to periodic review and revision. The Committee further recommends that management undertake additional training of new investigators and periodic re-training of all investigators so as to continually acquaint them with acceptable investigative techniques, policies and procedures, and with The Wackenhut Corporation's standards and goals in the operation of its business.

3. All investigations or procedures not in the Manual must receive input and approval from either the Chairman, the President, or an Executive Vice President of the Corporation after consultation with the legal department and any other Executive Vice President whose function might be affected by such decision, before being undertaken.[3] In addition such approved activities should be reviewed periodically by all senior management.

---

[3] This recommendation is intended to expand upon the policy issued by the Executive Vice-President of Domestic Operations in a memorandum dated November 18, 1991 (see attachment 4).

**4. The Wackenhut Corporation's legal department should be actively involved in the procedures described in 1, 2 and 3 above.**

III. WHAT AMENDMENTS, REVISIONS OR ADDITIONS TO EXISTING POLICIES, IF ANY, SHOULD BE UNDERTAKEN BY THE WACKENHUT CORPORATION BASED ON ITS LONG EXPERIENCE IN THE INVESTIGATIVE FIELD AND ITS EXPERIENCE WITH SPECIAL INVESTIGATIONS?

The Independent Committee believes that TWC's operating policies and procedures have been adequate. Security matters as well as standard investigations have been well handled. It is only with regard to special investigations (which by their nature can impede full corporate input and control) that changes and/or implementation of current policies and practices require execution by senior management.

As stated above, the Independent Committee recommends that the Chairman, the President, or an Executive Vice President be involved in each and every matter which requires a deviation from or elaboration of current policy and/or practice. Exceptions to current policy and/or practice should be granted only after such approval, and a legal review: and when a substantial change in business direction is envisioned, prior approval of the Board of Directors shall be obtained. The Independent Committee further suggests that an appropriate executive of the corporation be designated as an Ethics Evaluator and charged with the responsibility of monitoring the corporation's investigative activities and resolving questions regarding ethics. All employees should be advised of this executive's unique assignment and encouraged to communicate to that person any ethics concerns. The Independent Committee also encourages the use of internal policy and procedure audits on at least an annual basis for each and every operating division.

ACTION RECOMMENDED BY THE BOARD OF DIRECTORS

The Independent Committee recommends that the Board adopt the attached resolution (see Attachment 1) based on the foregoing conclusions and recommendations.

Respectfully submitted,

Fredrick M. Glass,
Chairman

Willis M. Hawkins

Raymond A. Quadt

Attachment 1

THE WACKENHUT CORPORATION CORPORATE RESOLUTION

WHEREAS: The Wackenhut Corporation is an international, full-service security firm known for the quality of its services and its high business and ethical standards; and

WHEREAS, the routine conduct of special investigations, even if performed legally and properly, can make monitoring and control by management more difficult, and be injurious to The Wackenhut Corporation's public image;

WHEREAS, the Board of Directors, has reviewed The Wackenhut Corporation's investigative services through a committee of independent directors in an effort to take such measures as deemed appropriate; it now adopts the following policies:

BE IT RESOLVED that The Wackenhut Corporation shall not participate in investigations which are shielded from its established business and operational procedures, management input and control;

BE IT FURTHER RESOLVED that, in order to ensure that investigations are conducted in a manner which meet The Wackenhut Corporation's high ethical and business standards, management shall: (1) compile a manual with the active involvement of the legal department containing all approved procedures and policies for investigators which shall be subject to periodic review ("Manual"); (2) provide additional training for new Wackenhut investigators, and, conduct periodic re-training for all Wackenhut investigators which acquaints them with appropriate investigative techniques, policies and procedures and educates them concerning The Wackenhut Corporation's high standards of operation;

BE IT FURTHER RESOLVED that all investigations and procedures not contained in its Manual receive a legal review and the input and approval of the Chairman, the President or an Executive Vice President before being undertaken by The Wackenhut Corporation, and that such approved activities be subject to periodic review by senior management;

BE IT FURTHER RESOLVED that where such exception or elaboration represents a substantial change in the nature or type of business undertaken, prior approval of the Board of Directors shall be obtained; and that an

appropriate executive of the corporation be designated as an Ethics Evaluator, and charged with the responsibility of examining and assisting in the resolution of difficult ethics questions; and that all employees be advised of this appointment and encouraged to communicate to that person any ethics concerns.

BE IT FURTHER RESOLVED that Management is encouraged to conduct annual audits of compliance with internal policy and procedure.

I HEREBY CERTIFY that I am the assistant secretary of The Wackenhut Corporation and that the foregoing is a correct and complete copy of a resolution duly adopted by the Corporation's Board of Directors as set forth herein, and that the same is now in full force and effect, and has not been modified, amended, repealed or rescinded in any respect, and that I have executed this resolution as assistant secretary and have caused the corporate seal of The Wackenhut Corporation to be affixed as of this 21st day of January, 1992.

Assistant Secretary

(AFFIX CORPORATE SEAL)



6266-38A 0108CON:WP227
01/23/92

Attachment 2

**THE WACKENHUT CORPORATION**

**INDEPENDENT COMMITTEE OF THE BOARD OF DIRECTORS**

**WITNESS LIST**

1. James P. Rowen
   Vice President, General Counsel
   & Assistant Secretary

2. Timothy J. Howard
   Vice President, Associate General Counsel
   & Assistant Secretary

3. Michael A. Di Gregorio
   Senior Vice President, Finance
   & Treasurer

4. Sandra L. Nusbaum
   Vice President, Human Resources

5. Fernando Carrizosa
   Senior Vice President, International Operations

6. Richard Kamentz*
   Internal Auditor

7. Robert C. Kneip
   Senior Vice President, Corporate Planning
   & Development

8. Timothy P. Cole
   Executive Vice President and President,
   Government Services Group

9. Phillip M. Gattuso
   Vice President, Investigations

10. Dan Mason
    Controller for all domestic operations

11. Allan B. Bernstein
    Executive Vice President, and President,
    Domestic Operations Group

12. John Mann
    Vice President, Investigations

* By telephone.

13. Richard R. Wackenhut
President and Chief Operating Officer

14. George R. Wackenhut
Chairman of the Board and Chief Executive Officer

15. Dwayne Black
Former Vice President, Investigations

16. Rick Lund
Independent Contractor-Computers

Attachment 3

THE WACKENHUT CORPORATION

INDEPENDENT COMMITTEE OF THE BOARD OF DIRECTORS

EXHIBIT LIST

| | |
|---|---|
| Ex. 1 | Proposed Resolution of the Board of Directors relating to policy issues |
| Ex. 2A | Exhibits to Hearing before House Committee on Interior and Insular Affairs (Nov. 4, 5, 6) |
| Ex. 2B | Transcript of Hearing before House Committee on Interior and Insular Affairs (Nov. 4, 5) |
| Ex. 2C | Transcript of Hearing before House Committee on Interior and Insular Affairs (Nov. 6) |
| Ex. 3 | Statements submitted to House Committee on Interior and Insular Affairs |
| Ex. 4 | Affidavits filed by Wackenhut ex-employees in civil litigation between Exxon and Charles Hamel |
| Ex. 5 | Correspondence between Wackenhut and House Committee on Interior and Insular Affairs |
| Ex. 6 | News Articles concerning Alyeska investigation |
| Ex. 7 | Memo to Employees from Alan Bernstein dated Nov. 14, 1991 |
| Ex. 8 | Wackenhut "Operations Manual/Investigations" |
| Ex. 9A | Chronology of Alyeska Investigation (Feb. 22, 1990-May 23, 1990) |
| Ex. 9B | Chronology of Alyeska Investigation (May 29, 1990-October 1, 1990) |
| Ex. 10 | Proposed Questions Concerning SID |
| Ex. 11 | SID Procedures In Issue |
| Ex. 12 | Corporate Resolutions |
| Ex. 13 | Financial Reports |
| Ex. 14A | Memo re 11/6/90 Rick Lund Interview with Paul Hastings |
| Ex. 14B | Rick Lund 12/12/91 corrections to Paul Hastings Interview |

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|---|---|
| Ex. 14B | Rick Lund 12/12/91 corrections to Paul Hastings Interview |
| Ex. 17 | Memo re Wayne Black 11/6/90 interview with Paul Hastings |
| Ex. 18 | Memo re Wayne Black 12/10/90 phone interview with Paul Hastings |
| Ex. 19 | Memo re Wayne Black 12/12/90 phone interview with Paul Hastings |
| Ex. 20 | Report by Wackenhut on employee turnovers |
| Ex. 21 | Steptoe & Johnson Submissions to Congress showing Hamel as extortionist. |
| Ex. 22 | Steptoe & Johnson Submissions to Congress showing Hamel in possession of stolen property. |
| Ex. 23 | Steptoe & Johnson Submissions to Congress with all references to Congressman Miller and his Committee |

ATTACHMENT 4

WACKENHUT

MEMORANDUM

TO: To All Employees and Subcontractors of the Investigations Division

DATE: November 18, 1991

FROM: Alan B. Bernstein
Executive Vice President

DIV/AREA: Domestic Operations

On Thursday, Novewmber 14, Wayne Black resigned as Vice President of the Investigations Division of The Wackenhut Corporation, effective on that date. As the supervisor of Domestic Operations which includes the Investigations Division, I temporarily have taken full responsibility for direct supervision of all pending matters in that Division until such time as management or the Board of Directors makes a final decision on the continuation of various investigatory activities.

UNTIL FURTHER NOTICE, EMPLOYEES IN THE INVESTIGATIONS DIVISION SHALL ENGAGE IN THE FOLLOWING ACTIVITIES ONLY WITH MY EXPRESS CONSENT, WHICH CONSENT WILL BE GIVEN ONLY WHEN CORPORATE LEGAL COUNSEL HAS PASSED IN ADVANCE ON SUCH ACTIVITY:

a. Search and inventory of any individual's or entities' garbage or waste products.

b. Obtain or review financial or credit data on any individuals or entities without their written release.

c. Monitor any persons or entities with any telephone, video or audio surveillance equipment, without the consent of all parties involved.

d. Review telephone toll records of any persons without their consent.

e. Install and utilize telephone pen registers.

It has been well known and thoroughly reported in the news media that during the past several weeks the Committee on Interior and Insular Affairs of the United States House of Representatives has been looking into an investigation made in 1990 by The Wackenhut Corporation on behalf of Alyeska Pipeline Service Company. The Congressional inquiry has not yet concluded, and all Wackenhut employees at every level are and have been urged fully to cooperate with the Congressional Committee. Specifically, The Wackenhut Corporation fully encourages without reservation active cooperation with the Congressional Committee, and The Wackenhut Corporation commits that it will neither take nor permit adverse or punitive action by anyone connected with The Wackenhut Corporation against an employee who in the future fully cooperates with the Congressional

Committee, or whc in the past has cooperated with the Congressional Committee, including the giving of testimony, affidavits or the supplying of other information or evidence.

If any employee in the future obtains knowledge of a violation of this directive, that employee is directed promptly to bring the matter to my perscnal attention.

GEORGE MILLER CALIFORNIA CHAIRMAN
PHILIP R SHARP INDIANA
EDWARD J MARKEY MASSACHUSETTS
AUSTIN J MURPHY PENNSYLVANIA
NICK JOE RAHALL II WEST VIRGINIA
BRUCE F VENTO MINNESOTA
PAT WILLIAMS MONTANA
BEVERLY B BYRON MARYLAND
RON DE LUGO VIRGIN ISLANDS
SAM GEJDENSON CONNECTICUT
PETER H KOSTMAYER PENNSYLVANIA
RICHARD H LEHMAN CALIFORNIA
BILL RICHARDSON NEW MEXICO
GEORGE (BUDDY) DARDEN GEORGIA
JAMES B FUSTER PUERTO RICO
BRUCE VENTO MINNESOTA
WAYNE OWENS UTAH
JOHN LEWIS GEORGIA
BEN NIGHTHORSE CAMPBELL COLORADO
PETER A DEFAZIO OREGON
FOFO I F SALEMAVAEGA AMERICAN SAMOA
TIM JOHNSON SOUTH DAKOTA
CHARLES E SCHUMER NEW YORK
JIM JONTZ INDIANA
PETER HOAGLAND NEBRASKA
HARRY JOHNSTON FLORIDA
LARRY LAROCCO IDAHO
NEIL ABERCROMBIE HAWAII
CALVIN M DOOLEY CALIFORNIA

# U.S. House of Representatives
## Committee on Interior and Insular Affairs
Washington, DC 20515-6201

JOHN YOUNG ALASKA
RANKING REPUBLICAN MEMBER
ROBERT J LAGOMARSINO CALIFORNIA
RON MARLENEE MONTANA
JAMES V HANSEN UTAH
BARBARA F VUCANOVICH NEVADA
BEN BLAZ GUAM
JOHN J RHODES III ARIZONA
ELTON GALLEGLY CALIFORNIA
ROBERT F SMITH OREGON
CRAIG THOMAS WYOMING
JOHN J DUNCAN JR TENNESSEE
RICHARD T SCHULZE PENNSYLVANIA
JOEL HEFLEY COLORADO
CHARLES H TAYLOR NORTH CAROLINA
JOHN T DOOLITTLE CALIFORNIA
WAYNE ALLARD COLORADO
RICHARD H BAKER LOUISIANA

DANIEL P BEARD
STAFF DIRECTOR
RICHARD MELTZER
GENERAL COUNSEL
DANIEL VAL KISH
REPUBLICAN STAFF DIRECTOR

March 2, 1992

Mr. David L. Cornwell
Vice President
The Wackenhut Corporation
10530 Rosehaven Street
Suite 500
Fairfax, Virginia 22030

Dear Mr. Cornwell:

Chairman Miller gave me a copy of your February 18, 1992 letter to him which enclosed the conclusions and recommendations of the Wackenhut Board of Director's Independent Committee regarding investigations conducted by Wackenhut. We understand and appreciate the effort involved in conducting such a review. We also particularly appreciate Mr. Bernstein's November 18, 1991 memorandum encouraging Wackenhut employees to cooperate with the Committee's investigation.

As you know, some of the documents the Committee requested from Wackenhut, including the detailed billings for the Alyeska investigation, are no longer available. No one has yet been able to explain how they were lost. We understand from some of Wackenhut's former employees that Dan Mason and John Mann have knowledge of SID's accounting procedures and may at one time have had possession of the detailed billings. Since they were both interviewed by the Independent Committee, we would appreciate receiving copies of any notes or recordings of those interviews as well as the interviews of Wayne Black, Rick Lund, George Wackenhut, Richard Wackenhut and Alan Bernstein as soon as possible. We realize that the Independent Committee's review was broader than the Alyeska investigation, and limit our request to those portions of the interviews relating to Alyeska.

It also appears that some of the documents on the Exhibit List refer at least partly, if not entirely to the Alyeska investigation. To the extent that the list includes documents relating to the Alyeska investigation which have not already been produced to the Committee, we would appreciate your providing them to us as soon as possible. In particular, please provide us with copies of Exhibits 8, 9A, 9B, 10, 11 and 14B.

Thank you for providing us a copy of the Independent Committee's conclusions and recommendations and for Wackenhut's continuing effort to cooperate with this Committee's investigation.

Please feel free to call me if you have any questions about this request.

Sincerely,

Linda J. Chase
Chief Counsel - Investigations

LJC:mm

LAW OFFICES

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Fax (202) 955-5564

March 24, 1992

**VIA FEDERAL EXPRESS**

Linda J. Chase, Esquire
Chief Counsel on Investigations
U. S. House of Representatives
Committee on Interior and Insular Affairs
Washington, D.C. 20515

Dear Ms. Chase:

Thank you for your letter of March 2, 1992 to David Cornwell concerning the Conclusions and Recommendations of the Wackenhut Board of Directors Independent Committee (the "Report"). Your letter has been forwarded to me for response.

Both the Independent Committee and The Wackenhut Corporation ("TWC") appreciate your kind words concerning the Report. They believe the Report effectively addresses the internal concerns raised by the House Committee's November hearings.

Even before those hearings had begun, these same concerns had been brought to the attention of the Wackenhut Board of Directors. As George Wackenhut testified on November 5, the corporate concern was such that the Board spent considerable time on these matters.

The result of this concern was the creation of the Independent Committee by Board Resolution dated October 28, 1991. That Resolution, a copy of which was submitted by Mr. Wackenhut to the House Committee and which is contained in the House Committee's bound record at page 389, directed the Independent Committee to recommend to the Board corrective policy action upon a full review. The policy recommendations were to be directed to the issue of whether TWC should continue in the business of operating special investigations.

It was pursuant to this mandate that the Independent Committee undertook the review outlined in its Report. This effort included a study of criticisms made in the media as well as an examination of the House Committee hearings in order to determine the allegations which faced the Corporation. Once having identified

those concerns, the Independent Committee turned to the policy issues which the Board had directed it to address.

The Independent Committee's focus in developing its recommendations was an evaluation of existing corporate policies and procedures, and not an effort to make conclusions regarding the Alyeska investigation. The Report itself reflects this in the second paragraph:

> "This Report relates only to recommendations for future policies for the Company's investigative activities. Nothing contained herein should be construed as an opinion of the legality of past investigative activities."

The corporate management and the Board of Directors consider the Independent Committee's recommendations reasonable and responsible. This is reflected by the fact that the Independent Committee's proposed resolution to the Board of Directors (which was attached to the Report submitted) was approved without alteration by the Board on January 25, 1992. Thus the Independent Committee's recommendations are now final, binding corporate policy.

The scope of the Independent Committee's review was more general than the House Committee's Alyeska investigation, and its focus and purpose were totally different. The Independent Committee's proceedings were an internal effort on the part of TWC to examine its own past policies and procedures and their impact upon present and future business. Opinions were sought, business relationships were discussed and ideas were critiqued. Because of the confidential nature of the business issues at hand, the Independent Committee encouraged an environment of open discussions and thus did not prepare formal transcripts of the interviews.

In your letter, you particularly asked about the missing detailed billings for the Alyeska investigation. The Independent Committee's focus in regard to this issue was whether any unit of TWC should maintain a separate billing system. This was the central purpose of the Committee's meeting with Dan Mason and John Mann. George Wackenhut and Richard Wackenhut spoke with the Independent Committee about their opinions on TWC policies and operations. Other individuals met with the Independent Committee for similar purposes. We are not at liberty to provide any information regarding those meetings. Some of them were conducted under the auspices of a Joint Defense Agreement. Others were

conducted under express promises of confidentiality in order to encourage a frank exchange of opinions.

The exhibits which the Independent Committee examined were used to provide background and scope for its review of business and policy issues, and not for the purpose of making conclusions regarding the Alyeska investigation. Exhibit 8, for example, is a revised version of the corporate manual for general investigations, which George Wackenhut mentioned in his testimony before the House Committee. It was not in existence in this form during the Alyeska investigation. Exhibits 9A, 9B, 10, 11, and 14B, which you mentioned, were prepared by attorneys specifically for consideration by the Board of Directors and the Independent Committee, and in connection with legal advice to those groups. None of the above exhibits which you have requested include any documents which were in existence at the time of the Alyeska investigation.

The Independent Committee's internal review of the corporate policy and procedures constitutes a good faith attempt to address the policy and business concerns raised by the House Committee, and to make appropriate recommendations.

Once again, thank you for your letter of March 2, 1992. We hope the Independent Committee's Report will serve to assure the House Committee that effective action has been taken as the result of the House Committee hearings.

Very truly yours,

HOLLAND & KNIGHT

Gregory A. Baldwin

GAB/pjw

53550.6

# Mercantile Credit Assoc. Inc.

4899 NORTH STATE ROAD #7, SUITE T
FORT LAUDERDALE, FLORIDA 33319
BROWARD (305) 485-9212 / 13 • DADE (305) 940-5058 / 59
FAX (305) 485-9304


June 16, 1992

The Honorable George Miller
U.S. Committee on Interior and
Insular Affairs
1324 Longworth HOB
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Miller:

I am the Vice President of a small, private business, Mercantile Credit Association. My partner and I have been in business for 14 years. I have a good reputation in the Miami area community among my clients, who consist mainly of wholesale distributors, trade community, and private attorneys. I have frequently provided assistance to police departments and state and federal agencies. My partner and I are not wealthy individuals, and have always operated an honest business.

In recent days it has come to my attention that my company has been blamed for erroneously providing personal retail credit reports to Wackenhut Corporation and Wayne Black, as an explanation for how Wackenhut obtained retail credit reports on certain individuals represented by the law firm of Hardy, Milutin and Johns.

On Friday, June 12, 1992, I talked to John Mann of the Wackenhut Corporation, and two attorneys from their law firm. I advised them that I intended to provide Ms. Garde a statement, as she requested, regarding my actions on behalf of Wackenhut and give her certain documents that she requested that substantiated my statement. I even offered to take a lie detector test. Prior to Ms. Garde's arrival the two Wackenhut attorneys came to my office, reviewed the documents I intend to provide her, and asked me a number of questions about how and why the retail credit reports were pulled and provided to Wackenhut.

At no time did the Wackenhut attorneys threaten me or ask me not to provide the information or documents to Ms. Garde. Following the interview by Ms. Garde I asked her, on the record, if I could have a copy of the statement I gave to send to the Congressional Committee that was investigating this matter to exonerate my company from the inference and allegations that Mercantile "erroneously" pulled anyone's retail credit report. Further, I asked for her assistance in getting the information to you.

# Mercantile Credit Assoc. Inc.

4699 NORTH STATE ROAD #7, SUITE T
FORT LAUDERDALE, FLORIDA 33319
BROWARD (305) 485-9212 / 13 • DADE (305) 940-5058 / 59
FAX (305) 485-9304


The facts are laid out in the statement, which I am asking Ms. Garde to send you under separate cover upon her receipt of the same. However, please let the Congressional record reflect that at no time did I or anyone at my company ever provide anyone at Wackenhut a retail credit report that they did not ask for. To the contrary, Wackenhut employee Wayne Black and others in his depoartment frequently requested retail credit reports on individuals.

Mercantile Credit only provided this information to Wackenhut on the basis of our belief that the reports were being requested for a proper purpose. We were assured that this was the case, and because Wackenhut is such a large and reputable company I had no reason to doubt that was not true. Wackenhut paid for each invoice, and frequently would question any discrepancy on a bill that was submitted. Wackenhut never refused to pay for the retail credit reports that were provided to Wayne Black, or his staff as authorized employees of Wackenhut.

This morning I was contacted by Wayne Black, now of Wayne Black and Associates. He advised me, in a threatening manner, that I had violated numberous state and federal laws by providing information and documents to Ms. Garde. Although I have not yet contacted an attorney, I am unaware of any laws that would require me to keep confidential information which I now understand was collected by Wayne Black for an improper purpose. In fact, I want the public record to be very clear that neither I nor my partner had any type of deal or agreement with Wayne Black that we would provide retail credit reports for improper purposes, and if he collected information for use in private investigative work not related to the proper purposes set out in the federal law than he obtained that information through deceit of our company.

Please accept this information for your use in the investigation of improper purposes of credit reports. I also humbly offer my assistance to you or your committee in any way that I may be of assistance in this regard.

Very truly yours,

Ronald Leibofsky
Vice President for the firm Mercantile Credit Association, Inc.

CC: John Mann, Vice President
The Wackenhut Corporation

Wayne Black and Associates

Sworn to and subscribed by me this 16 day of June, 1992.

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. MAY 21,1994
BONDED THRU GENERAL INS. UND.

Notary

SWORN STATEMENT )
)
)
)
- - - -

I N D E X

| Witness | Direct |
|---|---|
| Ronald Leibofsky | 3 |

E X H I B I T S

| Statement Exb. | For Ident. |
|---|---|
| 1 | 7 |
| 2 | 12 |
| 3 | 22 |
| 4 | 31 |
| 5 | 35 |
| 6 | 38 |
| 7 | 39 |
| 8 | 40 |
| 9 | 41 |
| 10 | 65 |
| 11 and 12 | 70 |

Thereupon--

RONALD LEIBOFSKY

was called as a witness and, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

BY MS. GARDE:

Q. This is an investigative interview being conducted by attorney Billie Garde, and Mr. Leibofsky, would please state your full name and spell it for the record?

A. Ronald Leibofsky, R O N A L D, last name, L E I B O F S K Y.

Q. And would you please put your business--give us your business address for the record?

A. Mercantile Credit Association, Incorporated, 4699 North State Road 7, Tamarac, Florida 33319.

Q. Now, do you mind if I call you Ron?

A. Fine.

Q. Ron, prior to this interview which is being taken by a court reporter, when was the first time that I contacted or had contact with you?

A. Last night by fax around five p.m.

Q. And you received a letter from me; isn't

that correct?

A. That's correct.

Q. In response to that letter, you contacted my office, didn't you?

A. Yes, that's correct.

Q. We had a discussion at that time regarding questions that I had posed in the letter and your interactions with the Wackenhut Corporation; isn't that correct?

A. That's correct.

Q. And in the context of that conversation, you agreed to talk to me and provide additional information; isn't that correct?

A. That's correct.

Q. And have I threatened you in any way?

A. No, you haven't.

Q. Have I offered you anything of value or any promises other than the release of liability which we'll discuss in a minute?

A. No, you've not.

Q. Are you giving this statement voluntarily and of your own free will?

A. Yes.

Q. It's true I have given you the opportunity to contact an attorney?

A. Yes, you have.
Q. Have you made a decision you wanted to have an attorney with you for this interview?
A. I made a decision that it wasn't necessary.
Q. Prior to our going on the record on this on this investigative interview, I did discuss with you and show you a release of liability, did I not?
A. Yes, you did.
Q. You read that release of liability?
A. I did.
Q. Is it your understanding that in exchange for your cooperation and and honest testimony in regards to the matters that are of concern to my clients, that you are being given a release of liability from lawsuits by those people who we represent?
A. Yes, I do.
Q. Is there anything in the release of liability or any of our conversations to this point that in any way makes you feel coerced, threatened or in any way compelled to give information which is not honest and truthful?
A. No.
Q. I'd like to ask you a few questions about

how Mercantile Credit is established and organized as a business. What is your relationship with Mercantile Credit?

A. I'm vice president secretary/treasurer, registered agent and 50 percent stockholder.

Q. How long has Mercantile Credit been incorporated?

A. August 28, 1978.

Q. And is it incorporated in the State of Florida?

A. Yes, it is.

Q. And who are the other business owners of the company?

A. My partner and 50 percent stockholder and president of the company and chairman is Wallace, W A L L A C E, Iroff, I R O F F.

Q. And have you had an opportunity to discuss your decision with Mr. Iroff?

A. No, I have not, but we have been together for 17 years. One check, one signature is all that's required. We trust each other implicitly. I know his business and he knows mine. I don't need his permission to speak, no conflict.

Q. Does Mercantile Credit have any employees besides yourself and Mr. Iroff?

A. Yes, one.
Q. Who is that?
A. My daughter, Sara, S A R A, Garside, G A R S I D E. We've downsized from three a couple years ago.
Q. What role does she play?
A. She runs the office, runs all the computer equipment.
Q. Now, what type of business is done by Mercantile Credit?
A. We do commercial, individual, domestic, international credit reports, investigations, skip traces, asset searches and contractors' license reports.
Q. And I see that you're looking at a business flyer, could we mark that as Exhibit 1 to this?
A. Yes, you may.
(The document referred to was thereupon marked "Statement Exhibit No. 1 for Identification.")
BY MS. GARDE:
Q. Are you or is your company licensed as private investigators in the State of Florida?
A. No.

Q. And is there a need for a license to do any of the things that you have described that your company does?

A. No.

Q. Now, one of the lines on your company's description is credit or credit investigations. Would you please briefly describe what types of, specifically what types of things you do to check credit or to deal with peoples' or a company's credit?

A. When we do a commercial report, which is our forte.

Q. Could you describe what a commercial report is?

A. A report on a business partnership, corporation, an individual, the first thing we do is verify who we're doing it for, which is our clients. We only work for clients we can identify and have a rapport with, since we do not take any contracts. We do not take any deposits and we do not take any membership fees.

The first step in doing a report for any company we're checking out is to find out who my client is, because we don't work for any kind of company unless we can identify it and know they're

reputable. Then they give us a name and address and sometimes a full credit application.

Q. Now, when you say a name and address and a credit application, is this, for example, a small business that wants to obtain credit from a company?

A. My clients, like Security Aluminum Window, for example, which is a wholesale distributor of aluminum window and doors selling to jobbers and contractors and installers of windows and doors will fax us their credit application giving all the basic information which includes the name of the company, how long in business, banking, ownership, trade references. At that particular point the first thing we do is we verify the correct name of the company by running it through corporate records so I've got the right name.

Q. With the Secretary of State?

A. With the State of Florida corporate document, Secretary of State's office. We call up other states like New Jersey to get it by fax the same day.

The second thing, we run it through public records in that county, do a civil search to make sure there's no suits or judgments on the company's name that I now know is the legal name of the

company I'm checking credit on.

At that point I will spot-check the references given to us or spot-check the industry contacts that I have on a confidential basis and get a routine credit reference like I've been doing for 35 years in the Good Old Boys Club on the grapevine. How does he pay, does he nickel and dime you.

Q. You check his general reputation within the community?

A. Within the trade community. Then I contact the company, their controller or bookkeeper. With certain clients I'll say, help me with this, I'm picking up credit for X amount of dollars. Is this the highest you have or, hey, you're running 30 slow with so and so, what's the story?

I do an interview. How big is your company, who is your banker. Call him up first so the guy will talk to me. I'll do an in depth interview with the guy and get a feeling for the business and see whether or not the numbers I'm getting and what he's saying match.

If you've got somebody who says they can lift 10,000 pounds and they're a weight lifter and

they have no muscles on their arms, you doubt it. There's a question of, in subjective investigation involved, you have to look at it to understand that's how a commercial report is done.

Q. Do you then reach certain conclusions about the validity of the credit information provided and the stability of the company and provide that information back to your client?

A. Exactly, and I make a subjective decision based upon the data in front of me.

Q. When you make that subjective judgment, do you commit that to writing and provide it to the client?

A. Yes, I do. What I generally tell them is excellent, good, fair, caution suggested. I'll give a reason like new management or slow pay or new company or heavy debt or I'll make a comment like too new to evaluate or strong company or established or paying well presently or comments like creditworthy despite some slowness. If it gets more complicated, I'll get on the phone with my clients on a daily basis and tell them exactly how it feels and I feel.

Q. I see that a lot of the information that you just talked about comes off of a form. Does

your company have a work sheet form that they utilize?

A. Yes.

Q. Could we mark a blank form as Exhibit 2?

(The document referred to was thereupon marked "Statement Exhibit No. 2 for Identification.")

BY MS. GARDE:

Q. Is Exhibit 2 the work sheet form that your company utilizes?

A. Yes.

Q. Now, what types of clients do you service in categories?

A. Wholesale distributors, building trades, fuel business, food industry and various worldwide clients using us on a some time basis like Emerson Radios, Insinkerator Division, which is the garbage disposal units, to check overseas credits before they ship ten or 20,000 to Korea or something like that. Companies like the Danish Credit Council will use us to see if a company is creditworthy for oversees credit.

Q. Do you provide services on occasion to private attorneys?

A. Yes, we do.

Q. And law firms?

A. Yes.

Q. And what about larger investigative companies such as the Wackenhut Corporation or Pinkerton?

A. Both.

Q. And what about eitner the police or public officials--what about police departments?

A. We have been cooperating on a pro bono basis with all governmental and regulatory agencies for the past 15 years on the federal level, and I haven't gotten the permission of the chief agent, which I won't give you his name, but I can check later if it's necessary to vouch for me on his life that I'm a straight arrow.

I'm president of the Fraternal Order of Police. I cooperate with all the sheriff's departments. I even gave a class two years ago on skip tracing at the sheriff's department in Davie.

We've been on cases with the Margate Police, with Hollywood Narcotics where I've got a letter of thanks on the wall, and Bay Harbor Village with a letter of thanks on the wall, and the IRS where I've got a letter of thanks on the wall.

Q. In the context of your providing services

to the various state and federal agencies and departments that you work for and with, is that on a pro bono basis or is it a paid for business?

A. It is totally pro bono, and more than that, we tell them that we don't want to even be mentioned unless they need us for a witness. Don't even put us in the file, use us as an extra hand. We will absolutely not ask for favors with them.

If I wanted motor vehicles, I'm directly linked to motor vehicles. I got the security clearance and I go if I need criminal record histories. We pay for it legally. I don't use the cops for any type of data to run this business. I just help them.

Q. In the context of your business, how do you bill your clients?

A. We use a single entry billing system.

Q. When you say a single entry billing system, can you describe what you mean by that?

A. Each month when somebody orders a report we set up a top sheet similar to the kind of statements you get with your credit cards showing all the charges and daily as we do the reports. We enter that one at a time. Number one, number two, number three, etcetera, listing the name of the

company we did the report on, the date we did it and the price.

At the end of the month we add it up, give them the total, make a copy on our fax machine and either fax or mail them the statement.

When we work for attorneys or special investigative agencies they occasionally ask us to make up a separate invoice for each case so they can bill their clients more easily. In those instances we'll make up an individual invoice for that particular case we're working on and then follow up with an itemized statement, usually at the end of the month like we always do, listing all the case numbers so they can identify it for billing and payment purposes. That's the only method of billing we use.

Q. Do you accept any cash in exchange for services?

A. Occasionally a contractor applying for a contractor's license will come into the office and offer to pay in cash and we give him a receipt.

Q. Now--

A. The amounts are very small.

Q. Now in the context of your billing practices, when you receive a payment from a client,

how do you record that that particular bill has been paid?

A. We turn to our copy of the statement we sent them, the original statement and in red ink or blue, generally in red I cross or circle the items they've paid. If it's the entire bill, I cross the whole thing out or circle it, put the check date and the check number.

Also when we post our checks we put on the back of our checkbook a list of who sent--gave us what money and a total on there as well.

Q. In regards to the business of credit checks and credit reporting, is your business governed by state or federal regulations?

A. It's governed by the Consumer Credit Protection Act.

Q. And is that a federal law?

A. That's a federal law.

Q. Ron, I see that you are looking at a copy of the law. Is that something that you keep at your desk?

A. Yes, it is.

Q. And where did you get that copy of that law?

A. We requested it at one time from one of

the attorneys we dealt with.

Q. And is that something that you rely on in doing your business?

A. I rely on this, and I also rely on the fact that at no time do we want to get involved with anything other than this, so that I don't care what somebody tells me. If I have the slightest suspicion that the purpose of the report is not for something which complies with the Act, I will turn them down. This is why we are only working for licensed agencies and reputable companies, because I don't want to take the risk of dealing with somebody who I don't know who's my client. We are very particular.

(Informal discussion off the record.)

BY MS. GARDE:

Q. Back on the record.

Now, we've been talking about the federal law and you indicated to me that it was your intention and it was the policy of your company to comply at all times with the law. Do you have an understanding of what purposes your company can obtain personal consumer credit reports for?

A. Yes, I do.

Q. And what is your understanding.

A. As outlined in section 604 under permissible purposes of reports.

Q. What are those purposes?

A. In response to a court order having jurisdiction.

Q. And?

A. With the written instructions of the consumer to whom is it relates.

Q. And?

A. In accordance with the written instructions of the consumer to whom it relates.

Q. And?

A. To a person which it has reason to believe, intends to use the information in connection with a credit transaction involving the consumer on whom the information is to be furnished, and involving the extension of credit to or review or collection of an account of the consumer, or B, intends to use the information for employment purposes, or C, intends to use the information in connection with the underwriting of insurance involving the consumer, or D, intends to use the information in connection with a determination of the consumer's eligibility for a license or other benefit granted by a governmental instrumentality

required by law to consider an applicant's financial responsibility or status, or E, otherwise has a legitimate business need for the information in connection with a business transaction involving the consumer.

Q. Now, what is a consumer credit report?

A. Off the record?

(Informal discussion off the record.)

THE WITNESS: A consumer credit report is a report on a private individual which states his name, address and other data such as Social Security number, job, date of birth, etcetera, employment history and residence history in some cases.

It also in some cases gives public record information such as liens, judgments, bankruptcies and it states as reported by the individual lender when the account was opened, the lender's identification, the customer's account number, the high credit, the amount owing, the payments.

Whether it's an individual or joint account, and the status of the account. Whether it's active, inactive, prompt, slow, how slow, and they've got a series of codes which I'll go into, if you want, describing whether or not he's been bankrupt, a write off, whether or not there's been a

repossession and so forth.

Q. Now, are consumer credit reports on individual consumers available to the general public? Could anyone call your company up and say, give me a consumer credit report, for example, on Billie Garde?

A. Absolutely not.

Q. In order to obtain a credit report, as I understand your testimony, it has to be in accordance with section 604 of the federal rules you've just read?

A. That's correct, to the best of my knowledge.

Q. Is there a document entitled a DTEC?

A. Yes, there is.

Q. What does DTEC stand for?

A. It stands for a Social Security number search within the Credit Bureau's system. In other words if that Social Security number exists anywheres in that system, it's going to pull it up for me on the computer and give me the name and address of the individual to whom it relates to.

At times it will give additional data such as a phone number or a business address or other miscellaneous information.

Q. Is obtaining a DTEC on an individual consumer or person, regulated?

A. Not to my knowledge.

Q. Now, I'd like to focus now on a particular client of your company named Wayne Black. Do you know Wayne Black?

A. Wayne Black is--was a client under his company which was Wayne Black and Associates.

Q. Have you ever personally met Wayne Black?

A. It's possible. I don't remember, and I don't think so.

Q. I'd like to draw your attention to 1988 when Wayne Black was doing business as Wayne Black and Associates. At that time did he reach a business relationship with your company?

A. Yes, he did.

Q. And during the time frame that he operated a business known as Wayne Black and Associates, did you provide him services or information?

A. Yes, we did.

Q. And what type of services and information did you provide Mr. Black?

A. We provided Mr. Black with consumer credit reports, DTECs, business credit reports, some license--driver's license data, etcetera.

(Informal discussion off the record.)
BY MS. GARDE:
Q. I'm going to show--prior to my arrival today I asked you if you would pull the information that you had provided to Wayne Black and Associates in regards to consumer credit reports, and did you do that?
A. To the best of my knowledge. The only information I have is the actual billing, since we have no files at all in my entire office prior to 1990 and we stopped doing business with Wayne Black and Associates in 1989.
Q. All right.
I'd like to mark as Exhibit 3 a packet of material that--
A. Statements.
Q. --That you've identified to me as statements from your company to Wayne Black and Associates. Could we mark that as Exhibit 3 please?
(The document referred to was thereupon marked "Statement Exhibit No. 3 for Identification.")
BY MS. GARDE:
Q. I'm going to show you what's been marked

as Exhibit 3 to the deposition and ask you to identify the document, and I'm then going to ask you some specific questions about the line items.

A. I've identified the document.

Q. Where did you find this material?

A. In our billing records.

Q. Across the page of each of the pages in Exhibit No. 3 there is a date, an invoice number, a description, an invoice amount and a balance. Could you please, just as an example, go across the line and describe to me what the entry items mean?

A. The computer we were using at the time had to have an invoice number assigned in order for us to enter any entry for billing purposes. That is where the invoice number is.

On invoice 1083 the date that we billed it was October 2nd of '89. The description is the name of the subject that we did the report on, George L. Prince.

Q. Following the name and some of the--after some of the names there are numbers. What do those numbers mean?

A. Generally it's a case number.

Q. And were you given that number by Mr. Black's office?

A. Yes, we were.

After that there's the invoice amount, which means the amount we billed them for that item or that invoice.

Q. I note on the first page of Exhibit 3 most of the items are either $15 or $30. Could you please describe what type of service you provided to Mr. Black for $15?

A. We provided a copy of the CBI/Equifax consumer credit report that we drew from their records.

Q. And what did you provide for $30?

A. This particular item you're looking at, Fivestar Investments was a commercial report which I charged them $30 for. The item below that Al Lebouseah (phonetic) and Don Strickind (phonetic) were two separate reports, one on each individual. 15 and 15 equals 30.

There is one below that, a Walter D. Sheleah, (phonetic), invoice 13889 which we charged $30 on. This could have happened in one or two ways.

The first way was he provided only one address and then provided a second address and asked us to run it a second time and we combined the

bill.

The second way it could have happened was that he provided us with a Social Security number, asked us to do a DTEC to obtain the correct address and then ran it through for a consumer report. So that 15 and 15 equals 30. Each computer run is $15 on these.

There is an item on here October 5th, invoice number 1156 where we ran vehicle ID numbers on four vehicles through our computer to the Department of Motor Vehicles for ID of the individual who owned the vehicles, and to two retail reports. We did so, that the total was $90 or computer runs at $15 each equals $90.

Q. Let me ask you a minute about running the vehicle license tag checks, is that a regulated activity?

A. According to the State of Florida Department of Motor Vehicles, who we got permission to go on the service with, they gave us no guidelines.

Q. Are you aware of whether or not there's any regulation regarding checking peoples' license tag numbers?

A. I'm not aware of any regulation.

Q. Are you familiar with a computer system called NCIC?

A. I'm not, quote/unquote familiar. I know of it.

Q. Do you have access to an NCIC computer from this office?

A. No, we don't.

Q. Now, how did it come about that Wayne Black chose your company to provide it's--his credit consumer credit research needs?

A. We had been active with the police and the Fraternal Order of Police and the detectives for quite some time, and word got around to most of the ex-cops and detectives that we work with them more closely than of the some of the other agencies.

Q. Do you know if your partner Mr. Iroff knows Mr. Black personally?

A. He does not know Mr. Black personally and neither do I, just normal business.

Q. Now, did there come a time that Wayne Black went to work for another company?

A. Yes.

Q. And what was that company?

A. The Wackenhut Corporation.

Q. Prior to Mr. Black going to work for the

Wackenhut Corporation, had you ever done any business with the Wackenhut Corporation before?

A. No.

Q. And what is the Wackenhut Corporation?

A. The Wackenhut Corporation is a publicly held company which is in the security business, which includes armored cars, security guard service, employment checks, bonding checks, Workers' Compensation checks and all areas related to problems of security for Wackenhut's clients.

Q. Did you have some familiarity with Wackenhut from your years in the security or investigative business?

A. I knew the name. I saw the guards, I saw the trucks and I knew that they were a well established company.

Q. Now, when Mr. Black went to work for the Wackenhut Corporation, did he advise you that he was moving over to that company?

A. Yes, he did.

Q. And did he tell you whether or not he was going to take his business with you with him?

A. I don't remember the exact words, but he was letting us know that we were going to start getting reports from Wackenhut from now on.

Q. And did that in fact happen?
A. Yes, it did.
Q. Did you ever have a written or signed contract with the Wackenhut Corporation?
A. No.
Q. Did you ever have any oral contract or understanding with the Wackenhut Corporation?
A. Yes.
Q. And what was that oral contract or understanding?
A. The oral contract we had with Wackenhut is the exact same contract and oral understanding that I have with every client who we dealt with since the day we started.
Q. And what is that?
A. One, no membership fee. Two, no minimum or any written contract of any kind. Three, satisfaction guaranteed. And four, we arrived at a particular price for whatever service we were doing for them on an oral basis.
Q. All right. Let me go back over those items and ask you to explain them. You say no membership fee, what do you mean by that?
A. If you're going to join CBI or most of the commercial or consumer credit organizations, they

hit you for a membership fee. For instance, the Merchant's Association, better known as Transunion wants a $250 fee from me just to consider my membership.

There's a membership charge to join Ready Data. There's a membership charge to join Equifax and TRW.

Q. Do you pay membership fees to those organizations?

A. I have in the past paid membership fees to Equifax, which is CBI.

Q. Do you no longer pay membership fees?

A. They only take one initial membership fee.

Q. So you charge no membership fee?

A. No.

Q. Do you have any knowledge of whether or not Wackenhut had a membership with these other companies?

A. I have knowledge and have never discussed Wackenhut's membership or any other aspect of Wackenhut's business with Wackenhut.

Q. You said no minimum or written contract, what do you mean by that?

A. Other agencies like Dunn & Bradstreet insist that you order a minimum contract or 50

reports or a minimum of $500 or something to become a member. It's generally paid in advance and you use up the contract in units. We don't do that.

We do the reports as requested one at a time, and whether you order a thousand or you order one, you are charged the same price.

Q. And when you say satisfaction guaranteed, what does that mean?

A. If you're not satisfied with the report or the quality of the work, we will not come after you for the money and you won't be billed or we will continue working on the report to your satisfaction or discontinue altogether at no charge.

Q. And the last element was a particular price. What does that mean?

A. The market price on reports like anything else in this world rises from years to years. We adjust our prices as the market will take it.

Q. Now, after Wayne Black went to work for the Wackenhut Corporation, did he continue to call you or ask your company to provide him information?

A. Yes.

Q. And did you continue to bill Mr. Black at the Wackenhut Corporation in the same manner that you had billed him previously when he was Wayne

Black and Associates?

A. I only billed Wackenhut Corporation.

Q. And prior to my arrival here today, did you pull copies of the statements that you were able to locate that you had sent to the Wackenhut Corporation?

A. Yes.

Q. Could we mark those as Exhibit 4?

(The documents referred to were thereupon marked "Statement Exhibit No. 4 for Identification.")

BY MS. GARDE:

Q. I asked you previously about your billing practices in regards to Mr. Black when he went to the Wackenhut Corporation. Who did you bill for the services that you provided?

A. We billed Wackenhut Corporation. At no time did we bill Wayne Black or do any private work, side work or anything you can imagine for Mr. Wayne Black, other than as an officer of Wackenhut Corporation, and it's all on the record.

Q. And you checked your files, did you not, prior to my coming today to make sure you had in fact looked to see if there was any personal business with Wayne Black; is that correct?

A. That's correct.

Q. To the best of your knowledge there never was any personal business that your company did for Wayne Black?

A. Not while he was employed by Wackenhut, and when we worked for him before, it was as Wayne Black and Associates, Incorporated. We never did any, quote/unquote, personal for Wayne Black, only for his investigative agency and only for the agency he worked for subsequently which was Wackenhut.

Q. Now, Mr. Black is no longer with Wackenhut. Have you done any work for him since he left the Wackenhut Corporation?

A. Yes, we've done some reports for him on oversees and some commercial reports.

Q. And in the context of that, are you aware of whether he's back in business as Wayne Black and Associates?

A. Yes, he is.

Q. And in the context of the work that you have done for him since he left the Wackenhut Corporation, is it the same types of agreements and contracts that you've described that you had with him when he was Wayne Black and Associates, before he went to Wackenhut and while he was at Wackenhut?

A. That's correct.

Q. Now, prior to my arrival today, I had given you a list of names of individuals who we represent, to determine whether or not you found people in your files or the names of people in your files to indicate whether Mercantile had in fact pulled information on those individuals at the request of Wackenhut. Have you located any information on those individuals?

A. I have located the billing statements from March and April, work performed in 1990, indicating that we did consumer credit reports on four of those individuals.

Q. Let me ask you a couple questions about the retention in your office of information that you obtain for a client, such as a consumer credit report. And let's walk through a hypothetical.

If the Wackenhut Corporation or Wayne Black and Associates wanted to order a consumer credit report on myself, how would they go about obtaining that and what would happen with that information.

A. If I knew that you--that you were not an employee and they were not representing themselves as they're telling me that for employment or bonding

purposes, I would not go about doing anything.

Q. On the basis of a representation--

A. On the basis of a representation that it is for a legitimate purpose according to the normal business that Wackenhut conducts, as well known for many years, we would simply take your Social Security number and your address if possible, code it into the telex machine which links us with one of the credit services which could be CBI, TRW or Transunion. If we were on it hypothetically, and they would generate and print out your personal credit history as described before.

Q. And assuming that Wackenhut ordered that information through your company for its business, what would you do with it once you received it?

A. We would transmit it as quickly as possible by fax or mail as they request to them.

Q. Do you receive the information by fax from either Equifax or TRW or by mail?

A. We receive the information from Equifax on our teletype, unless it's a Canadian report or a foreign report, which will generally come in by fax.

Q. Let's backup a minute. We'd earlier marked as Exhibit 2, a copy of--the work sheet that I understand that your company utilizes in preparing

requests; isn't that correct?

A. That's correct.

Q. Is the first thing that would happen when a call came in to you from Wackenhut, that you would in fact fill out a work sheet?

A. That is correct--no, the first thing that would happen is that we would, if they called it in, yes. If they faxed it in, we would cut out the fax sheet by name and paste it on the work sheet and then fill out the rest of the work sheet.

Q. Let me show you an example and ask you to describe that.

I'm going to ask you to mark this as Exhibit 5.

(The document referred to was thereupon marked "Statement Exhibit No. 5 for Identification.")

BY MS. GARDE:

Q. I'm going to show you a three page exhibit and ask you to please describe the process that you follow in regards to this exhibit and what this means.

A. Our work sheet which is basically designed for commercial reports is very likely filled out for a consumer report for filing purposes and for

handling, and we generally put the name of our client, the case number or any other identification on the right side under the title, client, and the subjects name on the left side.

Q. Now, in Exhibit 5 which we're looking at, on the right-hand side it says name of client, Wackenhut, and it says telephone and it's the got a 530, what does that mean?

A. We just scribble it in. It's just that it's the case number 530 and it's who is our contact is at Wackenhut.

Q. You understood the number is Wackenhut's case number?

A. That's correct.

Q. On the left-hand side it is the name in this case of two individuals and an address in Florida. What did you understand this information was?

A. The information that Wackenhut was giving me so I should run a comsumer credit report on these two individuals.

Q. How do you know by locking at the information on the top of first page of Exhibit 5, that they were requesting a consumer credit?

A. In this particular case they faxed us a

request dated August 15th of '90 giving us the case number 530 identifying themselves as Wackenhut, with the contact being a girl named Adrian, and she typed--she printed, quote/unquote, need credits on, and then proceeded to list one, two, three, four, five, six, seven, eight, nine, ten, 11 subjects that they needed credit reports on.

On each of these subjects she provided their name, their address, and in most cases their Social Security number.

Q. So you understood that they were looking for consumer retail credit reports on these individuals?

A. It was no chance they were ordering anything else.

Q. On the front of this form you have what appears to be superimposed or taped on, a little printout on the two individuals whose names are handwritten on the top. Could you explain what that is?

A. On the first subject's name Gail Piccolo, we're showing the address that we put into the machine and the response that CBI Miami, which is CBI/Equifax nowadays advised us that they have no record of this subject. For convenience and for

transmittal by fax, we simply taped it to the top of the work sheet.

The one below it, Philip Piccolo, tells name address did show up in their files, and the only thing reported was a public records collection report August of '90. It's a collection dated 5/90, giving the vendor's code, the dollar amount and the fact that the balance was still owing as of August of '90, and the date of last activity was January of '90, and that is the only data which was on that computer run. And we taped that below the other one for convenience, by fax back to Wackenhut.

Q. I'm going to mark--one other question, on the top of the form it indicates 1350 times two. What does that mean?

A. We were charging them a computer run rate for consumer credit reports of $13.50 each.

Q. Was that reduced from your earlier rate of $15?

A. Yes, it was.

Q. I'd like to mark as Exhibit 6 a similar document on a Sylvia Lona, L O N A.

(The document referred to was thereupon marked "Statement Exhibit No. 6 for Identification.")

BY MS. GARDE:

Q. I'm going to show you what's been marked as Exhibit 6 and ask if this is the same type of document that you've just described?

A. Yes, it is.

Q. And on the top of Exhibit 6 there's the letters RCR with a circle. What does that mean?

A. That means that's we're instructing our computer operator that Wackenhut has instructed us to run a credit report on Sylvia Lona, and Wackenhut faxed that request with the words, credits on, to specify they wanted a credit report on the subject.

Q. Now, let's mark this as Exhibit 7.

(The document referred to was thereupon marked "Statement Exhibit No. 7 for Identification.")

BY MS. GARDE:

Q. I'm going to show you what we've now marked as Exhibit 7 which is a group of the same types of work sheets, some of which have handwritten information superimposed, as well as computer information superimposed, as well as what you've earlier described, the name, the case number and the contact. Could you please describe what is the handwritten information that's superimposed on the

left and where that came from?

A. The handwritten information on the left is the name, the case number, the date of birth and the address and the name of the person, ordering it from Wackenhut. It came off a fax sheet from Wackenhut which had a list of many names, which for convenience and speed was cut cut up and put directly on to our work sheet.

Q. One by one?

A. One by one.

Q. And I'd like to show you Exhibit 8 and ask if this is the type of work sheet that you would cut up one by one as you've described for Exhibit 7.

(The document referred to was thereupon marked "Statement Exhibit No. 8 for Identification.")

BY MS. GARDE:

Q. Now, let me show you what we've marked as Exhibit 8 and draw your attention to the third page of Exhibit 8 which is a handwritten list of names, Social Security numbers, and in some cases what looks like a date of birth. Is this the type of document that you would cut up and then tape on one of your work sheets to process?

A. Yes,

Q. I note on the top of this document it says case 716, but I see no where in here a request for a consumer credit report. Can you look at Exhibit 8 and tell me what you understood Wackenhut was requesting and how you understood that?

A. I understood, from hundreds that were sent to us, that they were requesting a consumer credit report. When they were not requesting a consumer credit report, they were specifically, they would specifically advise us.

I also understood when they only gave us the Social Security number, they wanted us to run a DTEC first and then run the Social Security number, unless they otherwise specified DTEC only, which was extremely rare.

I also understood this was correct since when we completed the work and sent it to them and billed it for them, they paid us and we did not run DTECs on these, we only ran credit reports, consumer credit reports, and they paid for the consumer credit reports.

Q. I'm going to mark another group of reports as Exhibit 9.

(The document referred to was thereupon marked "Statement Exhibit No. 9 for Identi-

fication.")
BY MS. GARDE:
Q. I'm going to show you what we've marked as Exhibit 9, and although this does not have a work sheet on it, it does say typed on the top, client, Wackenhut, attention Ricky, the case in this case 404.
On the fourth page of this exhibit there is a handwritten list of requested information. Can you identify that handwriting on the fourth page?
A. The handwriting is of Wallace Iroff, my partner, who was normally the contact for Wackenhut.
Q. In the left-hand column next to the names there is an RCR, and is that, did you understand that to be a retail credit report?
A. I understood that Wackenhut requested a retail credit report on each of these individuals.
Q. On the bottom right-hand corner there is a reference to an instruction that says DTEC, then run RCR. Was that the type of instruction you earlier referred to when they would give you a specific instruction for the type of information they were looking for you to run?
A. Yes.
Q. Now, prior to our beginning this

interview, you and I went over a stack of files that you had pulled to show me the types of things that you had done for Wackenhut, and those work sheets were all very similar in nature to the ones that we've marked as Exhibits 5, 6, 7, 8 and 9. You indicated to me that you spent some time searching this morning.

Could you please briefly describe the search that you conducted and the types of things you pulled to show me as examples, the type of work you did for Wackenhut?

A. The search was difficult since we were not involved directly or had never discussed any of their cases. Unfortunately, the only work they were requesting from us was computer runs which my partner and I never saw. They were handled automatically.

To look for these files I went to my billing statements that I pulled out first and tried to retrieve whatever ones might be in file. I found that four to five that I was looking for had already been discarded, and after an hour or so I gave up that method.

And to provide you a fair cross-section, I simply went to the top drawer in some of my files

and looked through every single folder for anything from Wackenhut, no matter what it was.

Q. Do you keep as a practice in your business, do you retain the work sheets that you complete for requests for services?

A. As a practice, it is impractical to keep more than a couple of year's records because they become obsolete. Since we do one, not grant money, two, are not guaranteeing payment, and three, do no collections, I'm only interested in current information.

The only reason that we retain reports for any length of time is in case our client loses one. We're talking about consumer, because it's easy to pull up a new consumer credit report rather than looking at one a year old.

On commercial reports, at times background information is helpful to establish a rapport with the subject, when I'm doing a new interview or when I want to do a comparative analysis as to where he looked two years ago, until now.

In this day and age and because of the flux in the market, anything older than two or three years is totally irrelevant.

Q. When you say that you looked through your

files and that you keep them only for a period of time, am I to understand that as a general rule the practice of your company is to keep the work sheets and file them by the individual person's name that you requested the information on?

A. We file alphabetically, whether it be an individual or a corporation. We do not file under the doing business as.

Q. But you don't file for the client. For example, I couldn't ask you to go pull all the Wackenhut or all the Wayne Black work sheets; you'd file it under the individual's name?

A. Yes, right, we file them under the individual's name.

Q. Am I also correct in my understanding that by giving me the invoices, listing the names that you bill them for, that I have the comprehensive list of all of the individuals who you pulled either consumer credits or DTEC reports or commercial credits on, for either Wayne Black or Wackenhut--Wayne Black and Associates or Wackenhut Corporation?

A. For the period of my billing, yes, it is complete for that period.

Q. So if you had retained all of your work

sheets and filed them all alphabetically, we could go through each individual's name and you would be able to find the work sheet?

A. Yes.

Q. But your business is not that well organized and you don't keep them forever, and so it's not a comprehensive file; is that correct?

A. I don't understand the word "comprehensive," but it's not practical.

Q. Well, the four that I'm specifically looking for, you could not locate?

A. I could not locate it and I checked very diligently through every file we had. I looked for misfilings, I looked for anyplace where it existed because I wanted them very badly myself. They do not exist.

Q. Have you discussed or did you discuss with Mr. Iroff whether or not the files existed?

A. No.

Q. At some time prior to our discussions of yesterday and today, did you become aware that the case 427 named individuals were of interest to members of Congress and the media?

A. Yes.

Q. When did you first learn that the work

involving case 427 was a matter of some concern to federal officials?

A. We were cut off from service by CBI/Equifax with no explanation. The machine just went dead in the middle of the afternoon.

Q. Do you remember when that was?

A. February 21.

Q. Of 1992?

A. Correct.

Q. That's the first time you had any knowledge of that there was anything amiss?

A. That was the first time I was aware I had a problem. Then we contacted CBI and asked them why they took us off service.

Q. What did they tell you?

A. Eventually one of the vice presidents, I think his name is Lane, I can't swear to it, told us we were under investigation through Wackenhut for four names, and I didn't get the names then. My partner must have, and because there was an investigation going on, they were discontinuing service for the time being.

Q. Have they ever reinstituted service?

A. No, and several months later we re-contacted them, and during the month of April or

May, they advised us that there was some sort of Congressional investigation of Wackenhut. However, we were not aware that we were involved in the investigation or that our name had even come up with Congress, other than the fact that we had provided the reports to Wackenhut.

Q. Were you aware in November, at any time in the fall of 1991 that there was a Congressional inquiry ongoing which included in part the credit reports that you had provided to Wackenhut?

A. Absolutely not.

Q. Did Wackenhut ever advise you of that?

A. Absolutely not.

Q. Did Wayne Black ever advise you of that?

A. Absolutely not.

Q. To the best of your knowledge did Wayne Black ever, either personally or through one of his agents, request of you or your partner, who I realize is not here to answer for himself?

A. I can answer for him.

Q. That you pull and/or destroy or provide him the work sheets for the four named individuals that we have been discussing or that I gave you the names for?

A. No.

Q. Are you, when you say no, are you speaking because you and Mr. Iroff have discussed this or because you don't think that that happened?

A. If we were going to be grilled or be under investigation on four reports or any report of any type, I would want to get ahold of it. Since somebody else is aware of it already and it already shows up on our billing, it would be pointless, impractical and stupid to destroy it.

Q. Let me make a representation to you in terms of dates, and then let me ask you the question again.

Wackenhut received a subpoena from Congress on or about August 7 of 1991. From that time, until September 7, 1991 Wackenhut was requested to pull together all information that they had in regards to case 427 and turn those materials over to Congress.

In the time period of August 7 to September 7, 1991, did Wayne Black or anyone from the Wackenhut Corporation ask you to pull and provide the work sheets for any credit reports from 427?

A. Not to my knowledge.

Q. Do you mind asking your partner when he

returns and providing that information?

A. I do not mind, but if you're asking me did they ask us to provide them with another copy of the report--

Q. Of the work sheets?

A. I would not have objected to pulling it for them.

Q. I'm just asking if they did.

A. I don't think so, but if they had, we would have provided it.

Q. Would you have given them the original or kept a copy?

A. I would have kept a copy in case they lost it a second time.

Q. In the time period of September 7, '91, to November 2nd, 3rd and 4th, '91, did you or were you requested by Wackenhut to provide the work sheets in regards to case 427?

A. No.

Q. Not to the best of your knowledge?

A. Not to the best of my knowledge.

Q. Will you ask your partner when he returns if he has any knowledge of that request?

A. Yes, I will.

Q. From November of 1991 to February when you

said you were cut off by CBI/Equifax and made some inquiry as to that, during that time period did anyone from Wackenhut, either Wayne Black or anyone else advise you that the credit reports that you'd provided to Wackenhut were the subject of some concern by a Congressional Committee?

A. As I best as I recall, there was some newspaper articles on it. My partner had gotten copies of those newspaper articles and we contacted Wackenhut about it, said what the hell is going on.

At that point we were still not aware that we were involved in that investigation and to the best of my knowledge Wayne Black or one of the people over at Wackenhut, I don't know, one says, yeah, four of your reports were included in their file. The case number and the name I still wasn't paying attention to.

Q. Who did you talk to when you contacted Wackenhut initially about that concern?

A. Wayne Black, I assume.

Q. But that would have been your partner?

A. That's right, because he spoke to me. He said, look at this, Ron, look at the hot water he got himself into, and we then forgot about it.

Q. You mean Wayne Black?

A. Yeah. We were not concerned at that time.

Q. Now, we talked a little earlier, Ron, about what the federal law is in regards to permissible purposes for you providing reports.

When you would receive requests from the Wackenhut Corporation to provide consumer credit reports, were you provided what the purpose was?

A. We were told explicitly by--

Q. By who?

A. By Wayne Black and John Mann and everybody else we had contact with at Wackenhut who were ordering reports from us, that the purpose of the reports were to supplement their existing investigation for employment, bonding or regulatory or security purposes.

Q. Were you ever told that the purpose of the report was to try to identify whether any of the individuals whose names were provided to you regarding case 427, were being investigated as potential leaks of environmental information regarding the Alyeska Pipeline?

A. The answer is no, and the answer is no to any report we ever did where we were never advised at any time as to any particular case particulars.

Q. Were you ever given any case particulars?

A. Never.

Q. If I would go down through each of the individuals' names that you were--that are listed in the billing, would your answer be the same?

A. Yes, it would.

Q. On the telephone we discussed or you made reference to Winn Dixie as a place that Wackenhut was doing employment checks for?

A. So they say.

Q. Who said that?

A. Wayne Black.

Q. Did he give you any other specific examples of types of investigation or types of purposes that you were being asked to do credit reports for?

A. He--I cannot give the exact wording because my partner talked to him. My partner basically handles the investigative and acid search skip trace and background checks, and I generally handle the credit reports on commercial situations. We cross over occasionally when one of us it out.

I've never, in all the years with my partner, found a case or anything that either one of us could not have handled.

Give me the question again.

Q. Let's start over again on this question. What types of things did you believe you were giving information for? What purposes did you think those consumer credit reports were being used for?

A. I thought they were being used for employment.

Q. Employment at clients of Wackenhut?

A. Correct.

Q. For example, Winn Dixie?

A. Or any other large chain who is a client of theirs or for bonding purposes.

Q. What does that mean?

A. That means that before somebody can become a cashier or handle funds or something, they have to be bonded, and the bonding asks for a background check as thoroughly as possible before they're going to okay bonding the individual.

And I also thought that their security division was working for, let's say somebody was stealing money from Winn Dixie and they're trying to figure out who it is or was for some purposes in line with the police.

Q. In that connection, how did you assure yourself in your own mind that the purpose of the report was a legitimate business need of the client

for employment purposes or insurance, the enumerated items of 604, how did you assure yourself in your own mind?

A. In my own mind I felt that since Wackenhut was a well established, well known, reputable, as far as I knew, public company which was operating on a daily basis delivering cash, providing security guards, on and on, all across the United States, I assured myself that I had no reason to believe that they were doing any requests for reports for any other reason other than legitimate, according to the Consumer Protection Act.

Q. Had Mr. Black or any of the associates that worked with him, advised you that the purpose of obtaining a credit report was to determine if someone was leaking documents or was otherwise an enemy of one of the oil companies; would that have been a legitimate purpose?

A. No, it would not, and no, we would not have done it, and no, we were not advised.

Q. In the context of those same questions, if they had asked you to do a DTEC, for example, Dan Lawn, who is a state employee of Alaska, L A W N, a state employee from the State of Alaska, and the Environmental Conservation Department--strike it.

If Mr. Black or any of his associates had advised you that they needed to obtain a credit report on Mr. Dan Lawn, who is a state employee from the State of Alaska, for the purposes of determining if he was leaking information to Charles Hamel, would you have pulled a DTEC report?

A. No.

Q. Why not?

A. It is not under my guidelines. We do not like to do and will not handle spy work.

Q. Did Mr. Black or any of his associates advise you that they were conducting covert investigations for Alyeska or any of the oil companies?

A. No.

Q. Have you since learned that Wackenhut, the Wackenhut Corporation through Wayne Black's division was conducting covert surveillance activities?

A. Yes, and that was through the newspapers.

Q. Since you became aware of the use of credit reports obtained through your company, have you taken any action in regards to remedying that situation with the Wackenhut Corporation?

A. Yes. We are no longer running consumer credit reports for Wackenhut, and if they did order

one, I would want it in writing as to the specific purpose that it is for a legitimate reason, and I would want them to name their client so that I can be assured of it.

We are running commercial reports for them, and I have run one on a company in Amsterdam which is not regulated, and is part of their Investigative Group, and it's not involved in this case.

Q. Are you requiring Wayne Black for the business you're currently doing for him, to identify in writing the purpose that he is requesting consumer credit reports?

A. Yes.

Q. And is he complying?

A. He is to the best of my knowledge, and I am also insisting, and I was on the phone with Pinkerton, and ask that they not only comply, and I read them off the entire Consumer Protection Act and I asked that they send me a letter assuring me under the Pinkerton name that they were complying with the Consumer Protection Act when they were ordering these reports from me.

Q. Am I correct in my understanding, as a result of this situation, you have modified your

practices to ensure that in fact your clients are themselves identifying legitimate purposes of the request for records?

A. Yes, we are.

Q. At any time that you pulled any of the credit reports for either Wayne Black and Associates or the Wackenhut Corporation, did you have a suspicion that it was for an improper purpose?

A. No, I did not, and I recall strongly that Wayne Black had spoken to my partner and me on the phone when he started ordering from us in late 1988, that because of the change in the laws regarding polygraph tests, we were in a bonanza situation on doing special investigative reports for employment purposes, and that the reports we were pulling was for his specific clients for purposes of screening employment or otherwise complying with this Consumer Protection Act.

Q. Did you rely on that representation by Wayne Black to assure yourself that it was a permissible purpose?

A. I relied on that, because he was a licensed investigator with a background in police work, which was clear, and he had a good financial reputation, and there was no derogatory data on him

or his agency.

Q. In the context of the Wackenhut Corporation, did you in part rely on Wackenhut's reputation to assure yourself your company was complying with the federal regulations?

A. Yes, I did.

Q. What about Wackenhut did you rely on to assure yourself that it was for a permissible purpose?

A. Wackenhut would give us a specific case number, which meant that it was sanctioned by the Wackenhut management.

Q. Is that what you understood the case number to be?

A. That's right.

Q. So if you were given a case number and someone called from Wackenhut, you assume that it was a legitimate case number?

A. Sanctioned by Wackenhut corporate.

Q. If you learned that in fact Wayne Black had requested credit reports, for example, on a county employee who had refused to improperly provide him some information that he wanted and he was angry with her, would that have been a proper purpose?

A. No, it would not.

Q. Are you aware of a complaint that was made to the Department of Commerce in Washington DC regarding such an incident in which your company pulled a credit report?

A. I am not aware of it or any other complaints.

Q. Are you aware of any complaints that have been filed with federal agencies or state agencies in regards to your cooperation with Wayne Black and the Wackenhut Corporation regarding providing consumer credit reports?

A. Other than the information that you provided me regarding the Congressional Committee's testimony, I am not aware of it and have not been contacted.

Q. Prior to the beginning of this deposition I provided you a copy of a Congressional Record called Alyeska Pipeline Service Company Covert Operations Oversight Hearings, November 5th and 6th 1991. Had you seen this document before?

A. No.

Q. Do you know who Mr. William Richey is?

A. No.

Q. According to testimony that was given at

the Congressional report, the purpose for obtaining credit reports that we've discussed today was, quote, that the investigators were attempting to find out as much as they could about people involved either with Mr. Hamel or about Mr. Hamel. They were posing as environmentalists. They were not environmentalists. They don't know the names, they don't know the activities of the environmentalists. They were attempting to find out, is my guess. Is that a proper purpose?

A. No, it is not, and can I state something further.

Q. Yes.

A. At no time did Wackenhut advise us of the purpose specifically of any report.

Q. During the Congressional hearing a statement was made in regards to the work that was done by your company that, quote, what happened as I understand it from the paperwork in the file, is that they, meaning Wackenhut, made what is known as a DTEC request to the company involved, Mercantile Credit.

A DTEC request gives you name, address, phone number, that kind of general public information, and it does not give you credit

information. The credit company document itself shows at the top that it is a DTEC request, but the credit company sent more than they had been requested to send.

Did you send more to Wackenhut than you were requested to send?

A. No, I did not.

Q. How do you know that that is true?

A. Because Wackenhut paid for the information as billed.

Q. How do you know that Wackenhut in paying the invoice, was paying for what they specifically had ordered?

A. Wackenhut would not pay any amount to us unless line by line, case by case it was approved, and they had a corresponding purchase order for that amount in their accounts payable department.

And occasionally when she thought I duplicate billed them or did not have a proper number, the girl who handled accounts payable would question us on it and have us dig up the documentation, and go back to the investigator and get a proper case number for the amount approved.

Q. Who was the person you dealt with in billing?

A. Help me. Just a minute.

Q. Was it Mercedes Cruz?

A. Mercedes.

Q. There was two Mercedes, Mercedes Abequizebel (phonetic) and Mercedes Cruz.

A. It had to be Cruz. I met her a couple times to pick up the check.

Q. What does she look like?

A. Latin, dark long hair, mid thirties, a little thin.

Q. That's Mercedes Cruz.

A. And at times the amount that she showed that she owed us was in total diversion with the amount we had, and then the next month it would come out crazy again, but she wasn't involved in the investigations. She was only keying off the amounts and case numbers and amount approved for each case number item by item.

Q. Based on your answer I have some concern that the reason that the billing amounts were different was because maybe Wackenhut did ask for a DTEC, and did a credit and billed them for more?

A. No.

Q. Is that not possible?

A. No.

Q. Why is it not possible?

A. On the specific billing involving this particular group of statements, they paid for the reports as billed.

Q. You're looking at Exhibit 4, and you're looking at a page dated 5/1/90. What's the first name on the page?

A. Pasquale Luca, L U C A.

Q. Looking at that particular page, how do you know that Wackenhut requested a particular service or that you just offered it and they paid for it?

A. I don't know what you mean by the word "offered." They simply called us or faxed us, like they did on every other case, gave us a name.

Q. And you filled out a work sheet?

A. Yes, and we processed it along with the others.

Q. Well, am I correct in my understanding of your process, that if there was a dispute regarding what was requested, that you would go back and look at the work sheets?

A. Correct.

Q. Am I also correct in my understanding that of the four named individuals for case 427 whose

work sheets are no longer around, that you have no recollection of there being any dispute that you provided more than what they asked for?

A. I have no recollection. There was no problem getting paid on that bill.

This one was billed on the first. It was paid on the 23rd, which is very fast for Wackenhut. They usually pay on a 60-day cycle, and they pay the amount in full, $710.

Q. Let's look at this page. We see an entry for Robert Swift for case 427; do you see that?

A. Yes.

Q. And you indicate in here your invoice date was 4/25/90?

A. Yes.

Q. Is that the date that it's keyed in by your computer person into your billing computerized system?

A. Generally.

Q. I'd like to show you a document I'd like to mark as Exhibit 10.

(The document referred to was thereupon marked "Statement Exhibit No. 10 for Identification.")

BY MS. GARDE:

Q. I'm going to show you a document that we've marked as Exhibit 10, and I will represent to you, this is a document provided by my client Robert Swift which he personally obtained from Equifax.

On this entry it notes that on 4/20/90, his credit was requested by Mercantile. Is that you?

A. That's us.

Q. Now in the context of this, since we do not have the work sheets to look at, can you by looking at the bill, which you indicated on 4/25/90 that Mercantile in fact pulled the consumer credit history for Wackenhut as they requested?

A. Yes.

Q. Is there anything in these documents or your personal history and knowledge of the company that would make you believe that all Wackenhut requested was a DTEC report on Mr. Swift?

A. Stop--reask it.

Q. Let me reframe the question because it was long and it's getting late.

Based on your knowledge regarding your practices and the documents I have shown you, is there anything that leads you to believe that you provided more than Wackenhut requested regarding Mr.

Swift?

A. Absolutely not.

Q. Mr. Swift was an $85 charge, but my understanding is that credit reports were $15; is that correct?

A. That's correct.

Q. Why did you charge $85 for Mr. Swift?

A. The only reason we would have charged $85 for Mr. Swift would be if they requested additional computer runs or maybe a public records search for suits, liens, judgments in the county he was in or something of that nature.

It would have had to have been an automatic type of request, since we were not privy to the purposes of their investigations.

Q. Well, if Mr. Swift, for example, had made a lot of attempts to try to hide himself from someone, relocated, sold his home, had no car, would it be more difficult to find him?

A. Generally speaking, the less of an audit trail you have, the harder it is to find somebody.

Q. Could that be the reason it cost more to check out Mr. Swift than others?

A. Possibly. I won't deny it, but I don't know.

Q. Do you have any records of pulling any other information on Mr. Swift, other than his consumer credit?

A. We have no records at this time. However, I'm sure that Wackenhut, if asked, can give you chapter and verse on him.

Q. Wackenhut has been asked, and apparently you don't know that Wackenhut can provide any of the records either.

A. So why did they pay me $85?

Q. That's what I'm asking you?

A. It wouldn't have been anything other than another computer run or a local check on something. It would not have involved a private investigation.

Q. On the next page of the bill that we're looking at which is dated 3/30/90, there are three other entries for case--four other entries for case 427.

On 3/19 it says Hamel 427, and you billed $15. What does that indicate to you that you pulled on Mr. Hamel?

A. A CBI/Equifax consumer credit report.

Q. On 3/28 you billed Wackenhut $30 for Daniel Lawn.

A. That would indicate that we ran a Social

Security DTEC so that we can get the correct address, so we can now enter that into the consumer credit system and contain an Equifax/CBI report.

Q. On 3/28 you also ran a consumer credit report on Kenneth Adams, 427, $30 charge. What does that tell you?

A. That we ran a DTEC and credit report.

Q. On 3/28 you ran a $30 charge on Robert Scott for case 428?

A. That would indicate we ran a DTEC first and then a credit report.

Q. Prior to my arrival, did you look through all the billings to see if there were any other entries for case 427?

A. Yes.

Q. Did you find any others?

A. Kenneth Adams.

Q. And he's also case 427; is that correct?

A. That's correct.

Q. It shows $30, what does that tell you?

A. That we ran a DTEC and then a consumer credit report.

Q. I'm going to show you now a copy of a document that I obtained through the process of discovery in the Congressional Record on a Robert

Scott.

A. Is he in here?

Q. Can you mark these pages separately?

(The documents referred to were thereupon marked " Statement Exhibit Nos. 11 and 12 for Identification.")

BY MS. GARDE:

Q. I'm going to show you what I've marked as Exhibit 11, and I'll ask you if you can identify that document please.

A. It's a reduced version of our work sheet showing our normal work sheet process.

Q. And on the top it says DTEC and RCR. What does RCR mean?

A. Retail credit report.

Q. Can you recognize that handwriting?

A. My partner, Wallace Iroff.

Q. It indicates the charge on the right-hand side was $30?

A. Correct.

Q. And does that indicate--what does that indicate to you?

A. That they wanted a DTEC first and then a retail credit report as indicated on the work sheet.

Q. Now, across the top of the version, I

agree that it's a reduced version of it, there's a phone number, and it says Mercantile, I believe, CDE or CRE, and then there's a date.

Would it be your normal practice to fax a copy of your work sheet to Wackenhut Corporation with the credit report?

A. This was normal practice. We were sloppy.

Q. Would it be normal for you to send your work sheet to Wackenhut?

A. Yes, at times, yes.

Q. And I'm going to show you what's been marked as Exhibit 12, and could you identify that please?

A. That's a retail credit report on a Robert K. Scott.

Q. Was that requested by your company?

A. I assume it was, since it's on our statement.

Q. And when you requested that, did you assume that it was for a proper purpose?

A. Yes, I did.

Q. If it was for an improper purpose, were you ever advised of that?

A. No, I was not.

Q. Had you been advised of that, would you

have undertaken to pull that credit report?

A. Absolutely not.

Q. Would that answer be the same for each and every name on all of the billings that we've identified for both Wayne Black and Associates and the Wackenhut Corporation?

A. Yes.

Q. Would it be the same for every person who you pull a consumer credit report for, for all of your customers?

A. Yes.

Q. Is there anything else you'd like to point out regarding Exhibit 11?

A. Exhibit 11 indicates that at the time Rick called this in, he requested a retail report and a DTEC.

Q. And you know that because that's both written one after another, and that's what you understand the instruction to be?

A. That's correct. Also, I understand that the information provided on the three names was what they asked for, since they paid for it on their check. That's the names Lawn, Adams, Scott and Hamel were paid for in full, without question, on their check of April 26, 1990, 436825.

Q. So would it be a true statement if I asked you, if the first time that you had any knowledge that Wackenhut had made a representation to Congress that your company had mistakenly provided credit reports, was today?

A. Last night when I got your fax.

Q. Is that the first time that you knew that that representation had been made?

A. Yes.

Q. And do you want to take steps to exonerate yourself and correct that statement?

A. I requested that you help me do that if it was possible or tell me how I could do that. That is extremely important to myself, my partner and the company.

Q. All right.

Do you have any other information in regards to the interactions between your company and Wackenhut, particularly on case 427 that I have failed to ask you?

A. Absolutely not, and can I elaborate a little on that?

Q. Yes.

A. When I went to Wackenhut on four or five occasions, at least, to pick up checks from their

bookkeeping department, there wasn't anybody there I even stopped to say hello to. Nobody wanted to see me, we had no contact, no working relationship with anybody there at all, other than the simplicity of faxing it to us or calling in the names. That was the total extent of our contact with Wackenhut.

Q. It's my understanding that you had some contact with officials from Wackenhut today; is that correct?

A. Yes, I did.

Q. Did you contact them?

A. Yes, I did.

Q. Why did you contact them?

A. Because on the fax that you sent me, you had written down that they said we mistakenly provided those reports, which was an outright lie. They ordered them, they paid for them one by one, and I called up to say what the hell do you mean by saying that we mistakenly ordered these reports.

Q. Who did you talk to?

A. I spoke to John Mann.

Q. And what did Mr. Mann say?

A. He would refer me to his attorneys.

Q. Did you talk to his attorneys?

A. Yes, I did.

Q. And who did you talk to?
A. They were both here.
Q. So Mr. Dabrinski and Mr. Baldwin came to see you today?
A. Yes.
Q. What time did they come to see you?
A. About three o'clock.
Q. And when they came to see you, what did they ask you.
A. They asked to see the exact same information I'm showing you.
Q. Did you show it to them?
A. I showed them everything, except I did not show them copies of the credit reports. Just the request sheets of their clients.
Q. And did they take your statement under oath like I am?
A. No, they did not.
Q. What else did they ask you.
A. They asked me to explain how a credit agency works, how reports are obtained and general methodology.
Q. Did you do that?
A. Yes, I did.
Q. You've had a long day, haven't you?

A. Yes, and I did it patiently, and they advised me they were acting on their clients' behalf, and not on mine.

Q. Which is the same thing that I advised you?

A. I advised them that I run a straight up operation. Since the their client put the bread on my table for a number of years, I found nothing wrong of advising them as to my situation.

I thought, since they were my client, I would apprise them that I was going to tell exactly the truth and that was it.

At no time did they threaten me, advise me what to say to you, tell me to change anything, discuss any of the cases with me or anything else.

Q. Did either Mr. Baldwin, Mr. Dabrinski or Mr. Mann offer to pay your legal fees in a representation if a lawsuit was brought?

A. They offered absolutely nothing.

Q. And in the context of their visit today, did you advise them that you never provided anything they didn't ask for?

A. Absolutely.

Q. Did you advise them that you never provided anything, never provided anything they

didn't pay for?

A. Absolutely.

Q. Did they offer any explanation of why the representation was made to Congress that you had mistakenly provided credit reports?

A. They advised me of nothing, and they did not advise me of that specifically.

Q. Did they read you the statement I read to you from the record?

A. No.

Q. Did they deny that that statement was made?

A. No.

Q. How long were they here?

A. About an hour.

Q. Did you advise them that I was on my way to see you?

A. Yes.

Q. And did they understand that you were going to be giving a statement to me under oath this evening?

A. Yes.

Q. Did they ask you for a copy of it?

A. Yes, they did.

Q. And do you--did you promise to give one?

A. I told them I'd let them know.

Q. I have no problem with you providing them a copy of this statement, and I was going to have you be provided a copy of the statement anyway.

A. My concern is the ethics, whether it's ethical for me to have an arrangement with you and then provide it to them.

Since I had a solid arrangement with you, your word and my word, I did not want to break our agreement and compromise your agreement with me in any way, so I reserved judgment on the ethics involved in sending them a statement, and if you have no objection, then I don't mind doing it. If you did have an objection, let them get it off the public record.

Q. Well, since I have not had an opportunity to research the ethical situation, let me say this. I intended to take this statement as an attorney work product investigation statement.

You've been very cooperative with me and you've been very helpful with me, and your information is very important.

Normally I would maintain this type of statement in my files until and unless a proper discovery request was asked for it in a lawsuit that

this information may be relevant to.

If because Wackenhut is still your client and you've been truthful with me and with them, it would make your life easier to provide them a copy of it, I have no objection to it.

A. The dollar and amount and the ill is not a consideration here. What's a consideration here is my reputation and my ethics.

Q. On that case, what I'd like to ask you to do is to let me think about that, let me consider that and probably discuss it with my partner and get back with you.

A. It's up to you.

Q. In the context of the meeting with Mr. Baldwin and Mr. Dabrinski, did they indicate to you in any way that Mr. Iroff had any different version of the facts than I've heard from you today?

A. Absolutely none. They didn't advise me of anything.

Q. Well, they just asked you questions, you explained how the process worked?

A. Yes, and what I was going to tell you was the absolute truth, and since they're my client, I'm going to let them know what the truth is, and they are an Officer of the Court and they are my client

privately, and other than Wackenhut, out of respect, they did not give me any legal advice.

Q. Which I haven't done either?

A. Okay.

Q. I appreciate very much your cooperation and your honesty, and I know you've had a very long day, and this has been of concern to you.

As we indicated earlier, I am convinced by your honesty and your integrity and your candor that you did not deliberately do anything to invade my clients' privacy or deliberately do anything in violation of the Fair Credit Reporting Act which violates your business.

I indicated to you I am going to give you a release from liability. I prepared one which you reviewed, and I'm going to execute that release and give you that release.

If this matter comes up in the future, I can again call upon you to honestly give a deposition or testify as the need may arise? I don't know if it will arise.

A. We are at your service 100 percent, as I've indicated on various occasions, last night and today. Total cooperation.

Q. Let me also advise you in response to the

question that you asked me, that I suggest strongly that you review the sections of the Congressional Report that I read to you, and that you write a letter to Congressman Miller who conducted the hearings. His name and everything is in the book?

A. What page is it?

Q. Mr. Wackenhut's testimony touches on the credit issue at pages 59 through about 65, and Mr. Richey's testimony is in a number of different places, but specifically on pages 162 through 163.

There is also a number of letters that I believe Wackenhut Corporation sent to the Congressional Committee that are matter of public record, but I don't have with me that reference--the material. If I find them in my files, I'll send them to you.

A. Could I send a copy of this deposition to the Congressman?

Q. You certainly can, and I may do that myself with your permission.

A. You have my permission.

Q. I will do that.

The other thing that I would offer you in response to your request of me, what else that you might do is to make full record of this matter for

your own files, documenting my calls, their visit, my visit, so that you could accurately recall the events that have occurred over the last day and-a-half.

A. Okay.

Q. Do you feel that I have threatened or coerced you in any way?

A. No.

Q. And is the statement that you've given to me today, honestly given in regards to the conduct of your business?

A. It's honestly given and it's a full statement with no exclusions.

Q. Is there anything I failed to ask you that would be relevant to the information we've earlier discussed?

A. No, except that you haven't asked us to get something in writing or whatever from my partner.

Q. What I would like to suggest is that your partner review your statement which you will have a copy of, after he returns, and either provide me in writing under oath a notarized statement that he agrees with everything that you've said, or if he has additional information that is different from

yours, from his own context, that you would let me know that, and then I will either come back and take a brief statement on his additional information or he could put that in writing, but I would like to have a complete record of your information.

A. You will have it, and it will be done the day he gets back, which will be no later than Monday, June 22nd. And if I can, I know I've got your card somewhere. If I can have your fax number.

Q. It's 713-759-9650.

A. It will go out that day.

Q. I appreciate that. If you have any other questions, please feel free to contact me.

A. Okay. And you can also mention to the Congressman, that if he checks us out through the Federals or through the State's Attorney for the Crime Commission, we are always amiable to help regulatory advice on the laws, like Congressman Smith did with me down here.

We're amiable to sit and explain how these things work and how to improve the laws, and what safeguards, and how these things should be done or what improvements could be made, and the type of problems that consumers have trying to straighten out their credit.

And because it's so difficult to work with CBI/Equifax and Transunion, you've got these predators that come around and milk these people and rob them to get their credit, that type of thing, and that we are always ready to cooperate on a pro bono basis as we have in the past, and would like to do it. What I do for fun is help with that system. It's what I do.

Q. That might be something you could include in your letter to Congressman Miller, and when I talk to his staff I will convey that from you.

MS. GARDE: Off the record.

THE WITNESS: Waive the reading.

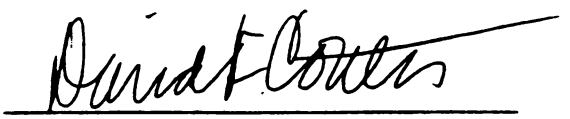
MS. GARDE: This investigative interview of Ron Leibofsky was a part of investigative efforts of the undersigned and is to be treated as a confidential attorney work product document and not available unless authorized by Billie Gard.

CERTIFICATE OF REGISTERED PROFESSIONAL REPORTER

STATE OF FLORIDA:
SS.
COUNTY OF DADE:

I, DAVID F. COTTLER, Registered Professional Reporter and Notary Public for the State of Florida at Large, do hereby certify that I reported stenographically the foregoing statement at the time and place hereinbefore set forth; that the witness was duly sworn by me; that the foregoing pages, numbered from 1 to 84, inclusive, constitute a true and correct transcription of my shorthand notes of the proceedings at said time and place.

WITNESS my hand and official seal in the City of Miami, County of Dade, State of Florida, this 13th day of June, 1992.



Notary Public, State of Florida at Large; my commission expires October 17, 1992. Bonded through Maynard Bonding Agency.

## LAWYER'S NOTES

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H. ALLEN BENOWITZ & ASSOCIATES
REGISTERED PROFESSIONAL REPORTERS
100 COMMONWEALTH BUILDING
46 S.W. FIRST STREET
MIAMI, FLORIDA 33130

## LAWYER'S NOTES

| Page No. | |
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THE WACKENHUT CORP.
SPECIAL INVESTIGATION DIV
1500 SAN REMO AVENUE 2 FL
CORAL GABLES FL 33146

5/ 1/1990

ACCOUNTS PAYABLE

STATEMENT

| Inv # | Inv Date | Description | Inv Amount | Balance |
|---|---|---|---|---|
| 4508 | 4/25/1990 | PASQUALE LUCA #462 | 110.00 | 505.00 |
| 4509 | 4/25/1990 | ROBERT LYNN SWIFT #427- | 85.00 | 590.00 |
| 4533 | 4/26/1990 | MITCHELL ROBERT #A221 | 15.00 | 605.00 |
| 4534 | 4/26/1990 | GONZALEZ JOHN L. #A220 | 15.00 | 620.00 |
| 4535 | 4/26/1990 | EILEEN E. COPERLAND #A222 | 15.00 | 635.00 |
| 4536 | 4/26/1990 | MARY DEAKTOR #OFFICE WBB | 15.00 | 650.00 |
| 4537 | 4/26/1990 | JOELLEN PARKER#OFFICE WBB | 15.00 | 665.00 |
| 4561 | 4/27/1990 | #WBB A100 ARENBERG GERALD | 15.00 | 680.00 |
| 4562 | 4/27/1990 | #457 HUMBERTO SUAREZ | 15.00 | 695.00 |
| 4563 | 4/27/1990 | #A222 COPELAND EILEEN | 15.00 | 710.00 |

Pd Ck 44430 5/23/90

TOTAL 710.00

THE WACKENHUT CORP.
SPECIAL INVESTIGATION DIV
1500 SAN REMO AVENUE 2 FL
CORAL GABLES FL 33146

3/30/1990

ACCOUNTS PAYABLE

STATEMENT

| Inv # | Inv Date | Description | Inv Amount | Balance |
|---|---|---|---|---|
| 3669 | 3/ 2/1990 | LAWRENCE KRANERT #A-C | 15.00 | 15.00 |
| 3670 | 3/ 2/1990 | DAVID G. MACMILLAN #431 | 15.00 | 30.00 |
| 3735 | 3/ 7/1990 | RUTH SEPLOW | 15.00 | 45.00 |
| 3776 | 3/ 9/1990 | WILLIAM CHIN | 30.00 | 75.00 |
| 3795 | 3/13/1990 | ALVIN CHATTIN #438 | 15.00 | 90.00 |
| 3796 | 3/13/1990 | DAVID H. MAINGUY #438 | 15.00 | 105.00 |
| 3797 | 3/13/1990 | ROBERT H. MAINGUY #438 | 15.00 | 120.00 |
| 3846 | 3/15/1990 | EDWARD ARIOLI #442 | 15.00 | 135.00 |
| 3847 | 3/15/1990 | THEODORE FRANSWORTH #442 | 15.00 | 150.00 |
| 3848 | 3/15/1990 | DONALD T. COHEN #437 | 15.00 | 165.00 |
| 3856 | 3/15/1990 | FRED MARVAN #437 | 15.00 | 180.00 |
| 3907 | 3/19/1990 | MATTHEW LESTER GOLD #426 | 15.00 | 195.00 |
| 3908 | 3/19/1990 | CHARLES HAMEL #427 | 15.00 | 210.00 |
| 3988 | 3/22/1990 | WARREN KERSH #277 | 15.00 | 225.00 |
| 4022 | 3/26/1990 | TERRY ROBERT TAYLOR | 15.00 | 240.00 |
| 4070 | 3/28/1990 | DANIEL LAWN #427 | 30.00 | 270.00 |
| 4071 | 3/28/1990 | KENNETH ADAMS #427 | 30.00 | 300.00 |
| 4072 | 3/28/1990 | ROBERT SCOTT #427 | 30.00 | 330.00 |

TOTAL 330.00

Pd CK 436825 4/26/90

EQUIFAX CREDIT INFORMATION SERVICES
14355 NE 24TH ST., STE 120
P. O. BOX 6999
BELLEVUE, WA 98008

BOBBY SWIFT [redacted]

DATE 12/19/91
SOCIAL SECURITY NUMBER [redacted]

## CREDIT HISTORY

| Company Name | Account Number | Whose Acct | Date Opened | Months Reviewed | Date Of Last Activity | High Credit | Terms | All Items as of Date: Balance | All Items as of Date: Past Due |
|---|---|---|---|---|---|---|---|---|---|
| ********** | [redacted] | | ********** | | | | | | |
| ********** | [redacted] | | ********** | | | | | | |

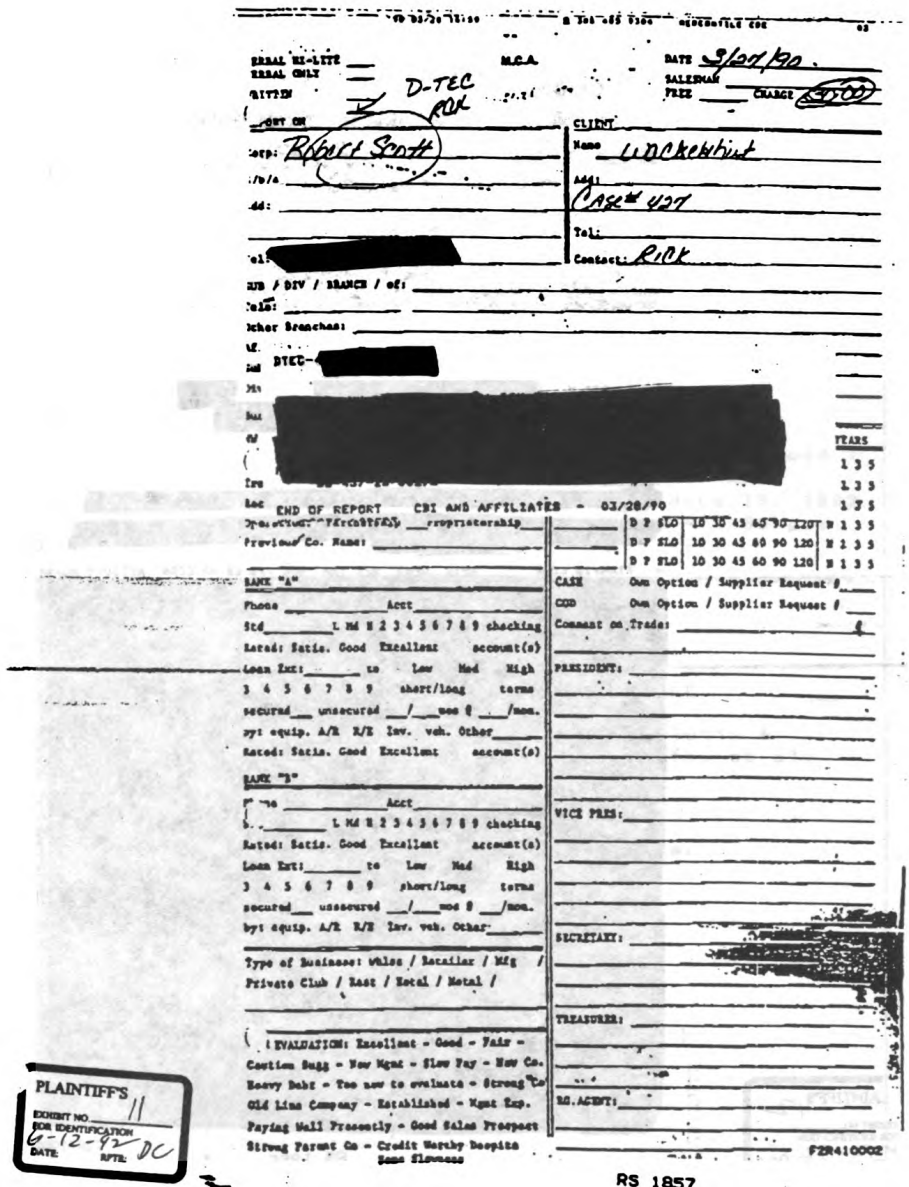
********** COMPANIES THAT REQUESTED YOUR CREDIT HISTORY **********
12/19/91 ECIS/C8I 04/20/90 PERCENTILE

PLAINTIFF'S EXHIBIT NO. 10 FOR IDENTIFICATION DATE 6-12-92 DC

>1-RESTART C0018 12/20

EXPLANATIONS ON BACK OF FORM
RETURN ORIGINAL TO BUREAU

COMPLETE PAGE



ERSAL RE-LEASE
ERSAL ONLY
RITTEN

M.C.A.

DATE 9/24/90
SALESMAN
FREE CHARGE 50.00

D-TEC
ROK

ORT ON

orp: Robert Scott
/b/a
dd:

el:

CLIENT
Name LOCKheed Inst
Add: Case # 427
Tel:
Contact: RICK

SUB / DIV / BRANCH / of:
Sels:
Other Branches:

DTEC-

[redacted]

END OF REPORT CBI AND AFFILIATES - 03/28/90

Proprietorship
Previous Co. Name:

BANK "A"
Phone Acct
Std L Md H 2 3 4 5 6 7 8 9 checking
Rated: Satis. Good Excellent account(s)
Loan Ext: to Low Med High
3 4 5 6 7 8 9 short/long terms
secured unsecured /mos @ /mon.
by: equip. A/R R/E Inv. veh. Other
Rated: Satis. Good Excellent account(s)

BANK "B"
Name Acct
L Md H 2 3 4 5 6 7 8 9 checking
Rated: Satis. Good Excellent account(s)
Loan Ext: to Low Med High
3 4 5 6 7 8 9 short/long terms
secured unsecured /mos @ /mon.
by: equip. A/R R/E Inv. veh. Other

Type of Business: Wales / Retailer / Mfg /
Private Club / Rest / Hotel / Motel /

EVALUATION: Excellent - Good - Fair -
Caution Bugg - Slow Mgmt - Slow Pay - New Co.
Heavy Debt - Too new to evaluate - Strong To
Old Line Company - Established - Mgmt Exp.
Paying Well Presently - Good Sales Prospect
Strong Parent Co - Credit Worthy Despite
Some Slowness

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| D | 7 | SLO | 10 | 30 | 45 | 60 | 90 | 120 | N 1 3 5 |
| D | 7 | SLO | 10 | 30 | 45 | 60 | 90 | 120 | N 1 3 5 |

CASE Own Option / Supplier Request #
COD Own Option / Supplier Request #
Comment on Trade:

PRESIDENT:

VICE PRES:

SECRETARY:

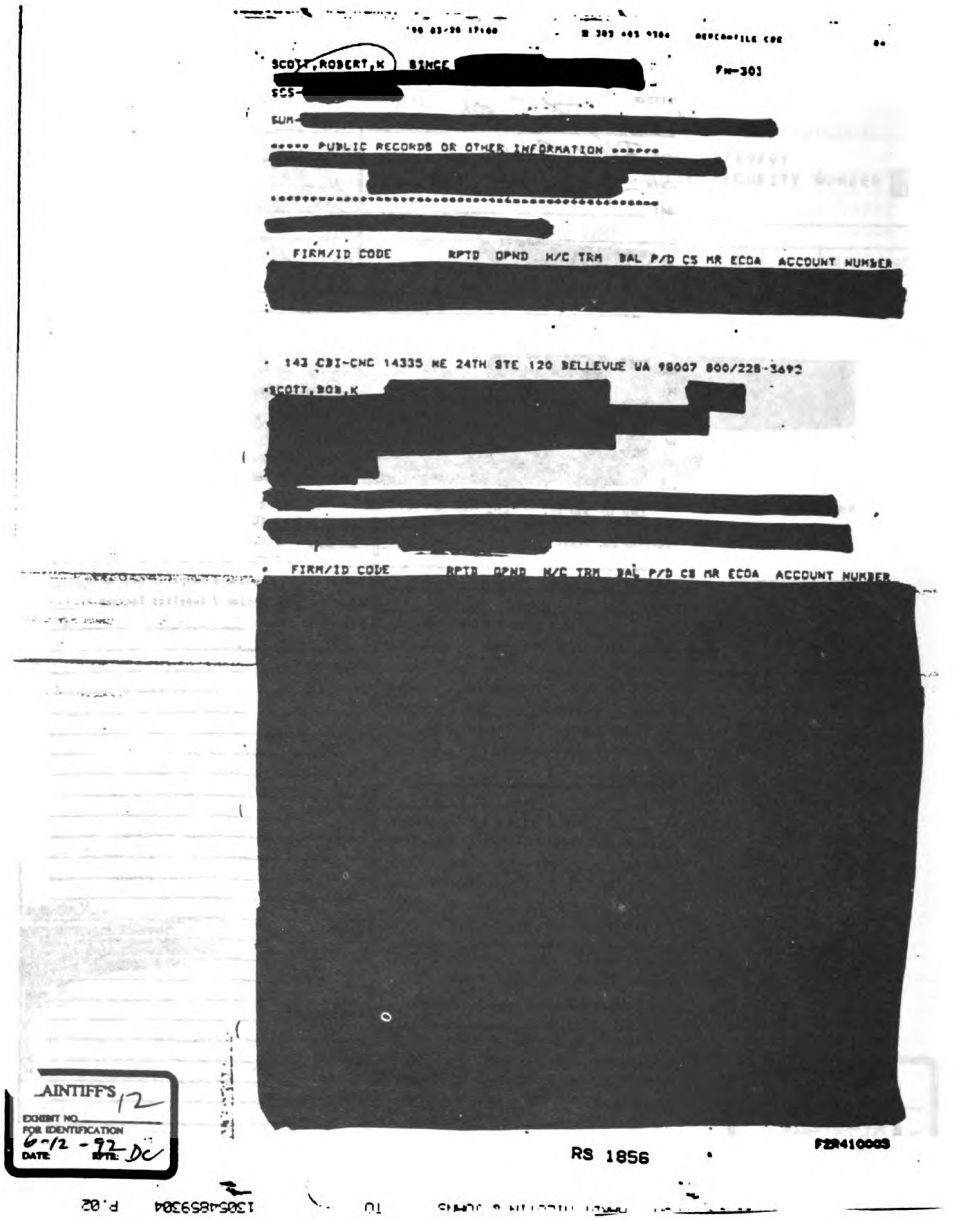
TREASURER:

RD.AGENT:

FZR410002

PLAINTIFF'S
EXHIBIT NO. 11
FOR IDENTIFICATION
DATE: 6-12-92 RPTR: DC

RS 1857




PLAINTIFF'S
EXHIBIT NO. 12
FOR IDENTIFICATION
DATE 6-12-92 RPTR DC

SWORN STATEMENT )
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COPY

4699 North State Road 7
Tamarac, Florida
Thursday, June 25, 1992
12:20 p.m. - 1:05 p.m.

SWORN STATEMENT OF WALLACE IROFF

PRESENT: BILLIE PIRNER GARDE, Hardy, Milutin & Johns, on behalf of Robert Swift, et al.

DAVID F. COTTLER,
Registered Professional Reporter
100 Megabank Building
46 Southwest 1st Street
Miami, Florida

- - -

I N D E X

| Witness | Direct |
|---|---|
| Wallace Iroff | 3 |

E X H I B I T S

| Statement Exb. | For Ident. |
|---|---|
| 1 | 7 |
| 2 | 9 |
| 3 | 14 |
| 4 | 17 |
| 5 through 8 | 17 |

Thereupon--

WALLACE IROFF

was called as a witness by the Robert Swift, et al., and, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

BY MS. GARDE:

Q. Mr. Iroff, will you please state your full name for the record?

A. Wallace Iroff.

Q. And what's your business address?

A. 4699 North State Road 7, Fort Lauderdale, Florida 33319.

Q. Who are you employed by?

A. Mercantile Credit Association, ISE.

Q. What's your position with them?

A. President.

Q. And we have--I have taken the statement of your partner Mr. Leibofsky. Have you had an opportunity to read that statement?

A. Yes.

Q. And in reviewing the statement, I asked him a number of questions in regards to how Mercantile conducts its business and the type of business it does, just general background

questions. Do you agree with his testimony in regards to those general background questions?

A. Yes.

Q. My purpose for coming back and taking your statement sir is to give you an opportunity to add to his statement or correct his statement on things that you have firsthand knowledge of that he did not.

Did you have an opportunity to review his testimony in regards to the method by which Wackenhut or Wayne Black and Associates did business with your company and obtained retail credit reports on individuals, DTEC information on individuals and occasionally property searches on individuals?

A. Yes.

Q. Do you agree with his testimony as to the general nature of the interactions between Wackenhut and your company?

A. Yes.

Q. It's my understanding you were the individual that had more of a direct interface with Mr. Black or his associates that were employed at Wackenhut; is that correct?

A. I probably spoke to them more often than Ron did.

Q. Do you know Mr. Black personally?

A. Only on the phone.

Q. Have you ever met him personally?

A. I don't remember. It's possible I did, but I don't remember.

Q. Do you remember what was your first contact with Mr. Black?

A. That was prior to him being with Wackenhut.

Q. And that was when he was with Wayne Black and Associates?

A. Yes.

Q. Do you do any business with Riley, Carilsy and Black (phonetic)?

A. Yes.

Q. Could you have known him when he was with that agency?

A. Yes.

Q. But you don't have a clear recollection of when was your first interaction with Mr. Black?

A. Not really. It goes back too many years.

Q. Now, in the context of the questions that I asked Mr. Leibofsky, I asked him specifically regarding a number of named individuals who are my clients, including Robert K. Scott, Bob Swift,

Charles Hamel and Dan Lawn.

At the time--strike that.

Have you had an opportunity to review my questions of Mr. Leibofsky regarding those individuals' credit reports?

A. Yes.

Q. And it's my understanding that you were involved with investigating that matter with Equifax; is that correct?

A. Yes.

Q. When was the first time that you became aware that Equifax, CBI/Equifax was conducting an inquiry or investigation of some type into the credit reports of Robert Scott, Bob Swift, Charles Hamel and/or Dan Lawn?

A. When they cut us off without proper written notification and we couldn't get them on the phone.

Q. Do you remember when that was?

A. Probably in February of this year.

Q. Did you ever receive anything in writing from CBI/Equifax as to why they cut off your services?

A. No, not that I know.

Q. I'm going to show you a document I'd like

to have marked as Exhibit 1 to your statement.

(The exhibit referred to was thereupon marked "Statement Exhibit No. 1 for Identification.")

BY MS. GARDE:

Q. I'm going to show you what we marked as Exhibit 1, it's a copy of a phone message that we made before we began the investigation. Could you identify that message please?

A. That was a message to either myself or Ron, it says 2/21 and it was this year, 92, and it was from a Richard Lane, and put down CBI/Equifax and a telephone number 937-6509.

Q. Did you call back Mr. Lane?

A. Yes, we did.

Q. And did you talk to Mr. Lane?

A. Yes, we did.

Q. And in the context of talking to Mr. Lane, did you take notes on the phone message?

A. We took several notes, which were covered on another page.

Q. There's a date on the phone message of 2/21. Do you recall whether you called him back the same day?

A. We generally do make our calls the same

day or we call back as quickly as we possibly can. We do not leave people hanging.

Q. Is the phone message that we've marked as Exhibit 1, the first time that you knew that there was any inquiry into your company's connection with the retail credit reports of the individuals that I've named previously?

A. At the time they cut us off, that day was the first time we found out about it.

Q. Do you know how long after you were cut off, that you received the phone message?

A. No, I don't remember.

Q. You don't have a recollection whether it's a week or two weeks or...

A. In fact we called them because the problem that we had, we were cut off of service. We wanted to find out what happened.

Q. Did Mr. Lane--when you did talk to Mr. Lane, did he tell you that it had to do with providing personal retail credit reports to the Wackenhut Corporation?

A. I think that's correct.

Q. And after you talked to him, did you contact Wayne Black or the Wackenhut Corporation?

A. I'll be honest with you, I don't

remember. I did work with Mr. Lane and he had requested that I see if I can find the reports on these four people.

MS. GARDE: Let's mark this as Exhibit 2.

(The document referred to was thereupon marked "Statement Exhibit No. 2 for Identification.")

BY MS. GARDE:

Q. I'll show you what we've marked as Exhibit 2, and maybe you could look at the original and I'll look at the copy, and would you identify what Exhibit 2 is please?

A. Exhibit 2 is a request by Richard Lane on the specific people, Robert K. Scott, Bob Swift, Charles Hamel and Dan Lawn. He gave us the dates of the inquiries that we made on it or drew the credit report, which on Robert K. Scott was 3/28/90, on Robert Swift 4/20/90, Charles Hamel 3/19/90, and Dan Lawn on 3/28/90.

Q. Up in the upper left-hand part of the page there's some notes that read to me, it looks like part two or 14. What does that say?

A. It says, one, I started writing the numbers against each of the names, but I don't remember what that word stands for.

Q. Next to Robert K. Scott there's a little note which has got a circle around it. Is that your handwriting?

A. Yes.

Q. Could you read that please?

A. It says sued Pipeline for losing job. That was the information that Lane told me about this Robert K. Scott.

Q. And next to both Rob Swift and Charles Hamel there's a word that looks like, found, with a circle on it; what does those mean?

A. Those are both correct with the word found. During the time I was talking to Mr. Lane, we were looking for all four of these. I found two of them.

Q. And then what does it say under Dan Lawn's name?

A. Lawn 1990, INO or INC, something like that.

Q. Do you know what that means?

A. It was obvious that Lawn was the report that was drawn in 1990.

Q. Now under that it says, Wackenhut, with an arrow to employment verification; what does that mean?

A. Well, this is the time that Richard Lane asked me why we had pulled the reports, and I told him, employment verification.

Q. And what was the basis of your telling him that the reason you pulled the reports was for employment verification?

A. Well, our arrangement with Wackenhut was that they were going to do employment verification.

Prior to that date, maybe a couple of years before, the United States government had outlawed or banned the use of polygraph in pre-employment applications, and the applications then--the employment applications then started to show on it a phrase the applicant signed which said, I authorize the name of the company or its agents or whoever else, to look into my financial background, other things, and that's why they were allowed to draw the employment verification through credit report.

Q. Is that what Wackenhut told you was the purpose for requesting the consumer credit reports?

A. That was what we were told at the time when we originally started, and never really changed.

Q. Now, underneath that it says fax to

Richard Lane.

A. Yes, we faxed him the copies of the credit reports for the ones we found, Bob Swift and Charles Hamel.

Q. Below that on the bottom are some other notes. Are those in your handwriting?

A. Yes.

Q. Could you read those notes?

A. One says Adrian Caputi, quit. Then I started putting parenthesis around it, thought she would be fired by John Mann. Then I have an arrow which says who came to Wackenhut later, then Wayne Black.

Then there's another portion in the circled item which says, then made up stories.

Now, going outside that circle there's comments that I wrote down, says, Adrian, whenever she called in request, always told a story.

Q. Do you know who told you that information?

A. No, I don't remember that.

Q. Based on the fact that it's on this piece of paper, do you believe it came from CBI/Equifax?

A. I really can't answer that question.

Q. Do you recall contacting either Wayne Black or anyone at Wackenhut following your

conversation with CBI/Equifax?

A. I don't recall.

Q. Do you have any personal knowledge of Adrian Caputi?

A. Only that I've spoken to her on the phone quite a few times. She was one of the few people who did--one of the many people who did order reports for Wackenhut.

Q. Do you have any personal knowledge that Adrian Caputi was going to quit or made up stories or anything like that?

A. No.

Q. So this information that you wrote down must have come from another source; is that correct?

A. I must assume it came from another source.

Q. Now in the context of your working with CBI/Equifax to figure out what your company did and why, did you look at specifically the work you did regarding Robert Lynn Swift?

A. Yes, we looked at Robert Lynn Swift.

Q. And did you come up with some answers for CBI/Equifax of what you did regarding Robert Lynn Swift?

A. We gave them a photocopy of the entire report we did.

MS. GARDE: Mark this as three please.

(The document referred to was thereupon marked "Statement Exhibit No. 3 for Identification.")

BY MS. GARDE:

Q. I'm going to show you what we marked as Exhibit 3. Is this a copy of your original notes regarding Mr. Swift?

A. This is a copy of what I--well, actually, this was a copy from which the girl worked, to type up the report.

Q. Is this is in your handwriting?

A. Yes.

Q. Could you please tell me what the document says and what it means. My note is cut off a little on the left. I'll ask that you read that to me.

A. Which note?

Q. Left margin in the block.

A. On the left margin in the block we estimated what our costs were.

Q. And what are those?

A. It says, our cost, and there's a line. It says RCR 250, two telephone calls, I think it says, and we left that blank, and it says real, which probably stands for real estate, because that's what

we did for it and what it cost us.

Q. And then on the top of the page there's some other references to monetary amounts.

A. The actual three items or four items, first one says, one RCR, which is drawing of a credit report and the charge of $15.

We did two real estate searches, two counties at $35 apiece, which is $70, and then we show a total of $85 that we billed Wackenhut on case number 427 for this person, Robert Lynn Swift.

Q. And then what does the rest of the report indicate to you?

A. Under the name Robert Lynn Swift we show a P.O. Box 238, city, Bagdad, Florida, zip code 32530, also a P.O. Box 1208, Trenton, Florida 32693.

Q. Then we have item one which shows that a retail credit report or RCR was faxed to Wackenhut on 4/20/90.

Q. It says faxed to you, does that indicate that these are your notes regarding your bill?

A. This is what I said to them, RCR faxed to you, meaning Wackenhut, on 4/20/90.

Item two, real property search. We did one in Escambia County and one in Duval County, both in Florida.

First one shows no property record found in the following names or the names checked. One Robert Lynn Swift; two, Robert L. Swift; three, Robert--correction, R.L. Swift, and four, Lynn Swift.

Next item is 8, it says, Duval County, and we just said no record, because we used the same information as above, checked all those four names.

Q. Am I correct in understanding, sir, that these are the only checks, background checks or credit checks or property checks that you did on Robert Lynn Swift for the Wackenhut Corporation?

A. I would think that's correct.

Q. If you had done any other type of check, for example, a license plate check, a criminal background check, any type of other personal history check, would you have billed them for that?

A. Yes.

Q. And do you believe that you would have included it on Exhibit 3 if you were summarizing for them what you had done?

A. They did not order these, information that you requested at this time.

Q. So am I correct sir in understanding if they obtained that information, it was not through

your company?

A. That would probably be correct also.

Q. I'm going to show you a copy of what will be marked as Exhibit 4.

(The document referred to was thereupon marked "Statement Exhibit No. 4 for Identification.")

BY MS. GARDE:

Q. I'll ask you to identify what that document is.

A. This document is basically the same as document three, except that it's been typed up and has a couple of other items on it.

Q. Which are?

A. Well, it shows to whose attention it was sent. It was sent to an Adrian, and on the bottom it says end of report, and on the top it shows our name, company name, address and telephone number and fax number.

Q. What date does it show that you provided this report?

A. 4/25/90, and shows case number 427, which is the same as Exhibit No. 3.

Q. I'll show you this.

(The documents referred to were thereupon

marked " Statement Exhibit Nos. 5 through 8 for Identification.")

BY MS. GARDE:

Q. I'm going to show you what we've marked as Exhibit 5. Could you identify that document please?

A. Yes, I can. This is where we requested real estate information in Duval County on Robert Lynn Swift.

Q. And is that the company that you--

A. We used Redi Data Research Center.

Q. I'm going to show you what we've marked as Exhibit 6 to this deposition, which I understand to be a work sheet regarding Robert Lynn Swift. Can you identify that document please?

A. Yes, this is the original work sheet requesting the information on Robert Lynn Swift. It's dated 4/19/90. It shows it came in from Wackenhut, case number 427, and shows the name Adrian with a telephone number 662-7363, and in a circle it shows Jacksonville, Duval County, and probably for the real estate which we couldn't get out of that place, shows 904-630-2025.

Q. On the top of the report, if I could look at the exhibit while you look at the original, on the top of the report there is some initials in

circles. Could you please explain what each of those are?

A. Okay, the top most one says fax fast. They were in a rush for it. Then it shows RCR, which is a request for a retail credit report, and in a circle again says RE, request for real estate.

Now, lower down it shows where they wanted the request for real estate. One was Escambia County and the other Duval County.

Q. They provided you those counties; is that correct?

A. Yes. They also supplied us with the request for the various names, Robert L. Swift, Robert Lynn Swift, R.L. Swift and Lynn Swift.

Q. Under the client where it says Wackenhut case 427, there is another a written note; is that your handwriting?

A. I outlined that before, that's probably the real estate section in Duval County which we could not get the real estate from.

Q. Now, the computerized print on this document, on the original it's taped to the work sheet; isn't that correct?

A. Yes, it is.

Q. And where does that information come from?

A. That came from CBI.

Q. And this indicates a Bobby Swift from Sacramento, California. Is that the same as the Robert Swift you were checking on?

A. Well, when Wackenhut gave us the information, they gave us a date of birth of [redacted] and social security number [redacted].

Q. And--

A. When we ran the credit report, we used the address--when we ran the credit report, we used the address they gave us in Bagdad, Florida and Trenton, Florida, but the report came up at 1900 Point W, Sacramento, California 95815, and the Social Security number corresponded to the Social Security number they gave us.

Q. In the little summary it shows that there is two liens reported. Is that the same lien or is it two different leans?

A. Well, it looks like the dates are different and the numbers are different on them, although they were in the same courthouse--not the same courthouse, but in the same area.

Q. How can you tell that?

A. First we see the date--we see an 01, which is item one, 0885, and it says lien, and you have a

number which is the courthouse number 180VS67. Then you show the case number or the recording number 85315653 and the amount is $5,233.

Now it shows second recording, probably of the same item because the dollar amounts are the same, but this date is now shown as nine of '85 and the courthouse is different, courthouse number 180VS59, and the number is 85214215.

Q. I'd like to show you what we've now marked as Exhibit 7 which is the original work sheet request for Charles Hamel. On the top of the copy there will show a dot on the original that's in front of you, there's a red sticky, what does that indicate?

A. That was a rush item.

Q. And is that something that you utilized within your office for your staff to know that it was a rush item?

A. That's correct.

Q. And what is this work sheet request?

A. It says Charles Hamel, 101 Quafe Street (phonetic), Alexandria, Virginia 22314, which is the zip code. Came from Wackenhut, case number 427, and the contact was Adrian.

Q. Does it indicate on here that Wackenhut

requested a retail credit report?

A. Yes.

Q. And you charged them $15 for that; is that correct?

A. Right. On the top in a circle is RCR, which means retail credit report.

Q. I'm not familiar with reading credit reports. In looking at Mr. Hamel's credit report, can you tell what his bank accounts are and what his bank balance is?

A. No. These are not shown on credit reports.

Q. Either the bank account number or the balance?

A. Neither one are shown on the credit report.

Q. If Wackenhut received Mr. Hamel's bank account information, both his account number and his current balance, it did not come from this credit report; is that correct?

A. That's correct.

Q. Can you tell by looking at this request, if Wackenhut requested you to find out that information?

A. No, the only request on this was a retail

credit report.

Q. And having looked through the billing statements, I note that Mr. Hamel's name only comes up as one item charge of $15. Am I correct in my assumption that you did not do an additional search for Mr. Hamel's bank statement information, that is his bank account and his balances?

A. That's correct.

Q. If Wackenhut has that information, it didn't get that information from your company?

A. We did not supply that information to them. It was not requested of us.

Q. I want to ask you about one other individual who I've given your company a release from, similar to the others, and that is a woman named Veronica Melton. Does that name sound familiar to you?

A. Yes.

Q. Why is that?

A. Well, first of all, I read the information that came in that you showed me, then I started to remember that she had come into the office, and two, I then remembered I think that we had charged Wackenhut for a report, at least one report on Veronica Melton or Milton. I'm not sure what the

name is.

Q. Have you found or been able to find any work sheets for Veronica Melton?

A. No, I didn't find any.

Q. I had asked Mr. Leibofsky to check for any, and he indicated he didn't find any. You don't know if there are any left in your office, are there?

A. No, I don't think there are.

Q. That's because in your filing system you routinely pull them out after a certain period of time?

A. Correct. We started pulling them out around 18 months. The filing system is so large and then these things become obsolete anyway.

Q. I'll show you what we marked as Exhibit 8 and represent to you this is a copy of Veronica Melton's credit report that she obtained through CBI/Equifax.

Now, on this sheet of information that she supplied me, it says companies that requested your credit history, and there are three entries referring to Mercantile.

Let me first ask you sir to look at the two that say DTC and then MERCAN. There's a number

after that. Is that number an identifier of your company?

A. That's correct.

Q. And is that an identifier of your company, with CBI/Equifax?

A. That's correct.

Q. What information do you understand was requested by Mercantile by looking at this document?

A. On 8/7 of '90 we requested a DTEC, and on 8/7 of '90 it looks like we also requested a credit report.

On 8/9 of '90 we also requested a DTEC.

Q. Now, I'm going to show you a copy of the billing statement from 8/31/90 showing Veronica Melton as an entry on the billing that you gave to Wackenhut. Do you see that entry?

A. Yes.

Q. What date does that indicate to you that you received the request from Wackenhut regarding Miss Melton?

A. 8/7 of '90.

Q. And that's the day that you ran a DTEC and a credit report?

A. That's correct.

Q. How much did you bill Wackenhut?

A. $13.50.

Q. Do you know whether you billed them for either the credit report or the DTEC or why there is two requests, but they were only billed for one item?

A. I can't answer that question, I don't know.

Q. Is it your standard practice to run two items, but only bill Wackenhut for one item?

A. Not generally, no.

Q. In comparing the companies that requested your credit history section of Miss Melton's document and the billing, can you tell whether or not your company erroneously pulled a credit report on Miss Melton?

A. I don't think it was erroneous.

Q. Why is that?

A. I really don't know, but two of them in the same day, the DTEC and the credit report sounds very logical.

Q. Why is that?

A. Possibly the information given to us on this Veronica Milton or Melton did not have a proper address or did not have an address, and we had to run a DTEC to get the address.

Q. And would you have done that in the normal course of your business on behalf of your client Wackenhut?

A. Yes.

Q. In order to accommodate their business needs?

A. Yes.

Q. So if they had called, and I understand that we're hypothesizing here, but if they had called and asked for a credit report and you couldn't immediately do that based on the information they provided, would it have been your practice to try to get that information for them by first running a DTEC?

A. I would most probably have called them and asked them for the address. If they said that they did not have the address, then we would have run it both ways.

Q. There's also an entry on 8/9/90 for a DTEC. Do you have any explanation why there was a DTEC request run on 8/9/90?

A. No.

Q. Do--

A. I could hypothesize that the Social Security number given the first time was not

correct, and we ran it a second time.

Q. Do you remember Miss Melton coming into the office?

A. Yes.

Q. Do you remember having a discussion with her?

A. I don't remember the discussion. I do remember that we did give her a copy of her credit report.

Q. Now, would that copy of her credit report have been run on the spot or would it have been run from your files?

A. Depends on how current it was.

Q. So would you have--the reason I ask that question is because it doesn't indicate in here that there was another credit report or check pulled until 10/29/90, and then it says CONSU PHM, and I don't know what that means. Do you know what that means?

A. No, I don't know the answer to that. It could be consumer something.

Q. Could it have been--I don't know when Miss Melton came in, but could it have been on, if she came in on 10/29/90, that's when it was run?

A. Well, it would not have been run by us.

Q. The only ones you've ever run were on 8/7/90 and 8/9/90 and 8/7/90?

A. That's correct.

Q. If you provided her a copy of something, it would have been something that was in your file that had been pulled on these three days?

A. I would assume so.

Q. Next to Veronica Melton's number on the billing statement is the number A-100. Did you have an understanding what A-100 was as an account?

A. This for Wackenhut, was their house account number. In other words, they used this as a generic item. Most of the time each report was indicated by a specific case number, but this A-100 was one that was like a Jack of All Trades type of number.

Q. And in the context of any of the case numbers including A-100, did you have any reason to believe that Wackenhut was requesting the reports for any improper purpose?

A. No.

Q. In your understanding of the requirements of the Fair Credit Reporting Act, would investigation of individuals' personal lives by a private investigative firm be a proper purpose?

A. That's not proper.

Q. If you had known that any of the credit reports that you were being asked to provide were being requested in the context of a private investigative tool, would you have provided them to Wackenhut?

A. This is a very complex question.

Q. Why is that?

A. Sometimes an agency, meaning a collection agency, sometimes a condo association hires someone to check the individual for purposes of renting an apartment, buying an apartment or a condo or an apartment house, and these people could be private investigators doing this type of work for bread and butter.

Q. When you say "for bread and butter," how does that type of purpose comply with the Fair Credit Reporting Act in your understanding?

A. Well, the condo renting to a person is extending credit to them, in a sense that they are buying or renting an apartment which they will be paying for over a period of time, either monthly payments. As in renting an apartment, you would want to see if the person is capable of making these payments.

Q. In that hypothetical that you've given me, in the context of work that your company would do in that situation, would you be operating under the assumption that the consumer had authorized the place that they were seeking credit from, to check into their credit history?

A. Very definitely.

Q. Perhaps my question earlier wasn't clear then.

If you had known that Wackenhut was conducting private investigations without any knowledge or consent of the individuals that they were investigating for the purposes of building a profile and understanding the person they were investigating, would that have been a proper purpose under under the Act?

A. No.

Q. If you had known that, would you have provided that information?

A. No.

MS. GARDE: I have no other questions.

Are you comfortable having reviewed the release that I have provided to your company, in understanding what the terms and conditions and details of that are or would you like to ask me

anything about that on the record?

THE WITNESS: On the record, I did not see all the releases that we're talking about. In fact, in those I saw very, very briefly, the ones you gave to my partner, I really can't answer--I really can't ask questions on this because I'm not that familiar with it.

MS. GARDE: If at any time you have any question or if you contact an attorney and your attorney has any questions, please feel free to contact me.

BY MS. GARDE:

Q. Do you feel threatened or coerced in any way in regards to this statement?

A. No.

Q. Have you given this voluntarily?

A. Yes.

Q. You've had an opportunity to consult an attorney regarding giving this statement, have you not?

A. I did not consult an attorney.

Q. But you had an opportunity to do so before I showed up here; isn't that correct?

A. Yes.

Q. I appreciate your cooperation. I believe

that I understand exactly what happened, how it happened and why, and that you and your company are as much a victim of this situation as my clients are, and I appreciate your cooperation.

THE WITNESS: We can waive the reading.

MS. GARDE: I'll buy the copy for him, and take it Tuesday or Wednesday.

I'll keep the exhibits.

CERTIFICATE OF REGISTERED PROFESSIONAL REPORTER

STATE OF FLORIDA:
SS.
COUNTY OF DADE:

I, DAVID F. COTTLER, Registered Professional Reporter and Notary Public for the State of Florida at Large, do hereby certify that I reported stenographically the foregoing statement at the time and place hereinbefore set forth; that the witness was duly sworn by me; that the foregoing pages, numbered from 1 to 33, inclusive, constitute a true and correct transcription of my shorthand notes of the proceedings at said time and place.

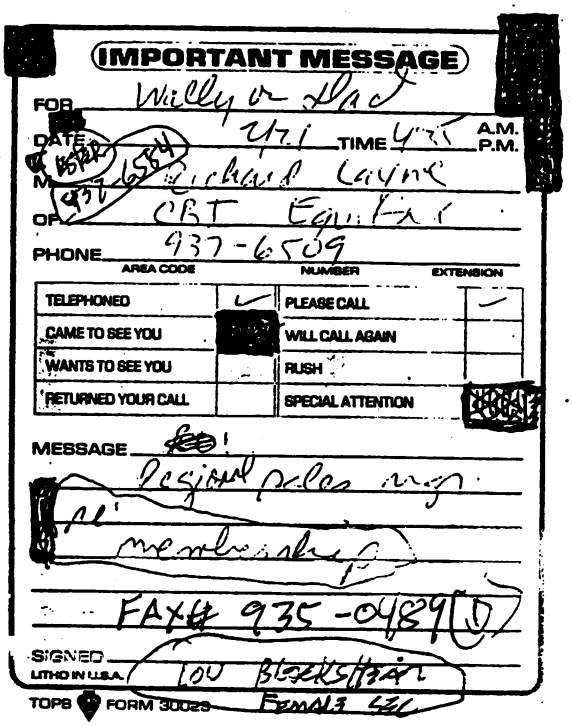
WITNESS my hand and official seal in the City of Miami, County of Dade, State of Florida, this 29th day of June 1992.

David F. Cottler

Notary Public, State of Florida at Large; my commission expires October 17, 1992. Bonded through Maynard Bonding Agency.

LAWYER'S NOTES

| Page No. | |
|---|---|
| | |
| | |
| | |



IMPORTANT MESSAGE

FOR Willy or Dad

DATE 4/1 TIME 4:?? A.M. P.M.

M [redacted] Richard Layne

OF CBT Equifax

PHONE 937-6509
AREA CODE NUMBER EXTENSION

| | | | |
|---|---|---|---|
| TELEPHONED | ✓ | PLEASE CALL | ✓ |
| CAME TO SEE YOU | | WILL CALL AGAIN | |
| WANTS TO SEE YOU | | RUSH | |
| RETURNED YOUR CALL | | SPECIAL ATTENTION | |

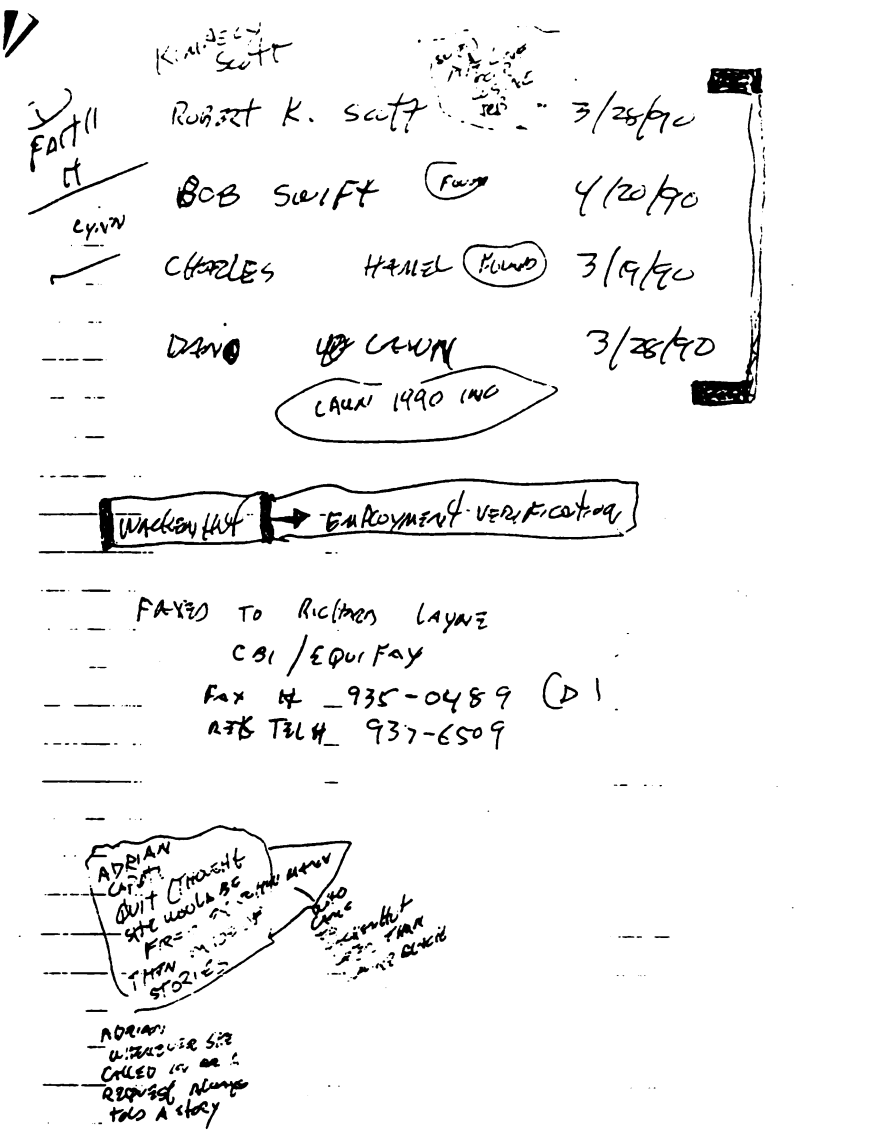
MESSAGE Re: Regional rules mgr. re membership

FAX# 935-0489

SIGNED Lou Blackshear

LITHO IN U.S.A.

TOPS FORM 30023 Female SSC


Robert K. Scott 3/26/90
BOB SWIFT 4/20/90
CHARLES HAMEL 3/19/90
DAVID CALVIN 3/26/90
CALVI 1990 INC
WACKENHUT → EMPLOYMENT VERIFICATION
FAXED TO RICHARD LAYNE
CBI / EQUIFAX
Fax # 935-0489
ATS TEL # 937-6509
ADRIAN
ADRIAN WITNESS SAID CALLED IN AS A REFUSED NAME TOLD A STORY


DEFENDANT'S
EXHIBIT NO.
FOR IDENTIFICATION
DATE

1 RCR – .5 cc
2 RI Starting 70
2 + 35 / 85 cc xx

Wicken Hut
CASE # 42

RE : ROBERT LYNN SWIFT

[redacted]

ALSO

(1) RCR FAXED to you 4/20/90

(2) Real Property SEARCH

(A) ESCAMBIA cty FLA

NO Property RECORD IN following NAMES CHK

① ROBERT LYNN SWIFT
② ROBERT L. SWIFT
③ R.L. SWIFT
④ LYNN SWIFT

(B) DUVAL cty FLA

NO RECORD

[redacted]



Mercantile Credit Assoc. Inc.
4699 North State Rd #7 / Ft. Lauderdale, Fl. 33319
(305)485-9212/13 (305)940-5058759 Fax(305)485-9104

CLIENT : WACKENHUT
ADDRESS :
: CASE #427
C,ST,Z :

REPORT DATE: 04/25/90

ATTN : ADRIAN

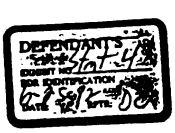
Re: ROBERT LYNN SWIFT
[redacted]

(1) RETAIL CREDIT REPORT FAXED TO YOU 4/20/90

(2) REAL PROPERTY SEARCH:
(A) ESCAMBIA COUNTY FLORIDA:
NO PROPERTY RECORD IN FOLLOWING NAMES CHECKED.
(1) ROBERT LYNN SWIFT
(2) ROBERT L. SWIFT
(3) R.L. SWIFT
(4) LYNN SWIFT

(B) DUVAL COUNTY FLORIDA:
NO RECORD.

END OF REPORT.



MERCANTILE CREDIT
[illegible]
TEL [illegible]

REDI Data Research Center

**REDI DATA RESEARCH CENTER**
**RESEARCH REQUEST RESPONSE**

TO: MERCANTILE CREDIT DATE: APRIL 20, 1990
WALLACE

SUBJECT: Research Request - DRC Project Number _____

[ ] The information you requested is attached.

[XXX] We were unable to locate any information regarding:
DUVAL COUNTY, NO RECORD, ROBERT LYNN SWIFT

REMARKS:

1 FAXED PAGE INCLUDING COVER PAGE

by: JEAN

2990 Northwest 10th Street, Miami, Florida [illegible]
National Wats: 800-421-0052 Florida Wats: 800-[illegible] Fax (305) 666-1255

VERBAL HI-LITE ___ (FOLLOW) M.C.A.
VERBAL ONLY ___ RE
WRITTEN ___ RCL
FAX ___
REPORT ON

DATE 4/19/96
SALESMAN
FREE ___ CHARGE RC2-15 EACH RL 35 EACH

Corp: ROBERT LYNN SWIFT
[redacted]
11/15/29 SS# [redacted]
Tel: 904-[redacted]

CLIENT
Name HACKER HUT
Add: 6356 # 427
[redacted]
Tel: JAX BCH 904-[redacted]
Contact: ADRIAN 662-7363

SUB / DIV / BRANCH / of: ___
Tele: *SWIFT,BOBBY [illegible] 1900,POINT W,,SACRAMEN[illegible]
Other SSS-[redacted]
Affil
Subsi [redacted]
Divis ****** PUBLIC RECORDS OR OTHER INF[illegible] ******
Bus. [redacted]
NW ___
Condi END OF REPORT CDI AN[illegible] 4/20/90 LINKED
Trend: Up / Steady / Undetermined

E/YEARS

| | | | | |
|---|---|---|---|---|
| | | | | N 1 3 5 |
| | | | | N 1 3 5 |
| | D P SLO | 10 30 45 60 90 120 | | N 1 3 5 |
| | D P SLO | 10 30 45 60 90 120 | | N 1 3 5 |
| | D P SLO | 10 30 45 60 90 120 | | N 1 3 5 |
| | D P SLO | 10 30 45 60 90 120 | | N 1 3 5 |

Record: Clear/ See Trade/ See Below/UCCs
Operation: Partnership ___ Proprietorship ___
Previous Co. Name: ___

BANK "A"
Phone ___ Acct ___
Std ___ L Md H 2 3 4 5 6 7 8 9 checking
Rated: Satis. Good Excellent account(s)
Loan Ext: ___ to Low Med High
3 4 5 6 7 8 9 short/long terms
secured ___ unsecured ___/___mos @ ___/mon.
by: equip. A/R R/E Inv. veh. Other ___
Rated: Satis. Good Excellent account(s)

BANK "B"
Phone ___ Acct ___
Std ___ L Md H 2 3 4 5 6 7 8 9 checking
Rated: Satis. Good Excellent account(s)
Loan Ext: ___ to Low Med High
3 4 5 6 7 8 9 short/long terms
secured ___ unsecured ___/___mos @ ___/mon.
by: equip. A/R R/E Inv. veh. Other ___

Type of Business: whlse / Retailer / Mfg / Private Club / Rest / Hotel / Motel /

OUR EVALUATION: Excellent - Good - Fair - Caution Sugg - New Mgmt - Slow Pay - New Co. Heavy Debt - Too new to evaluate - Strong Co Old Line Company - Established - Mgmt Exp. Paying Well Presently - Good Sales Prospect Strong Parent Co - Credit Worthy Despite

CASH Own Option / Supplier Request # ___
COD Own Option / Supplier Request # ___
Comment on Trade: ESCAMBIA cty
NO PROPERTY L SWIFT
ROBERT
ROBERT LYNN SWIFT
R.L. SWIFT
LYNN SWIFT

PRESIDENT: ___
DUVAL cty
VICE PRES: ___
SECRETARY: ___
TREASURER: ___
RG.AGENT: ___

DEPENDABLE CREDIT EXPERT NO. [illegible] FOR IDENTIFICATION PURPOSES DATE 4-19-96

VERBAL HI-LITE ___
VERBAL ONLY ___
WRITTEN ✓
FAX
REPORT ON

M.C.A. [redacted]

DATE 3/19/90
SALESMAN
FREE ___ CHARGE ___

Corp: Charles Hamel
d/b/a
Add: [redacted]
Tel:

CLIENT
Name Wackenhut
Add: 4 H37
Tel:
Contact: ADRIAN

SUB / DIV / BRANCH / of:

HAMEL,CHARLES ... DORA SINC... [redacted]

SUM- [redacted]

***** [redacted]

[redacted]

FIRM/ID CODE RPTD ... PAL ... ACCOUNT NUMBER

[redacted]

END OF REPORT ... AND AFFIL...

OUR EVALUATION:

Caution Sugg - New Mgmt - Slow Pay - New Co.
Heavy Debt - Too new to evaluate - Strong Co
Old Line Company - Established - Mgmt Exp.
Paying Well Presently - Good Sales Prospect
Strong Parent Co - Credit Worthy Despite

RG.AGENT:

DEFENDANT'S EXHIBIT 51

MIAMI FL 33160

VERONICA MILTON

DATE 10/29/90
SOCIAL SECURITY NUMBER
DATE OF BIRTH

CREDIT HISTORY

| Company Name | Account Number | Date Opened | Date Of Last Activity | High Credit | Terms | All Items as of Date Reported: Balance | Past Due | Status | Date Reported |
|---|---|---|---|---|---|---|---|---|---|
| ********** | ********** | ********** | ********** | ********** | ********** | ********** | ********** | ********** | ********** |
| ********** | ********** | ********** | ********** | ********** | ********** | ********** | ********** | ********** | ********** |

NOT TO BE USED AS A CREDIT REPORT

I have been denie

DEFENDANT'S EXHIBIT

JUN-25-'92 THU 10:26 10:MEDICAL EXAMINER TEL NO:305 545 2400 EXT3218 #14 P04

WACKENHUT

SECURITY SYSTEMS AND SERVICES THROUGHOUT THE WORLD

THE WACKENHUT CORPORATION
1500 SAN REMO AVENUE
CORAL GABLES, FLORIDA 33146-3036
(305) 666-5656

September 5, 1991

BY TELECOPIER & AIRBORNE EXPRESS

The Honorable George Miller, Chairman
U.S. House of Representatives
Committee on Interior and
Insular Affairs
Washington, D.C. 20515-6201

Dear Congressman Miller:

Mr. George Wackenhut has asked me to respond to your several letters of August 12, 1991 to him and Messrs. Alan Bernstein, Wayne Black, Richard Lund and Gilfredo Mugarra concerning an investigation performed on behalf of Alyeska Pipeline Service Company (Alyeska).

Prior to your Committee's request, we had already turned over virtually all of the requested materials to Alyeska at their direction. In furtherance of your Committee's investigation, we have turned over copies of all of such materials remaining in our possession to Alyeska, at their request, and we understand that Alyeska is in turn, arranging to deliver all of these materials to your office in cooperation with the Committee's request, except for those Attorney/Client documents for which they may claim privilege.

I hope that this will prove satisfactory to the Committee. If you have any questions or comments please contact me at (305) 666-5656.

Very truly yours,

James P. Rowan
Vice President and
General Counsel

*Professionalism With Integrity*℠

EXHIBIT 165

GEORGE MILLER CALIFORNIA, CHAIRMAN
PHILIP R SHARP INDIANA
EDWARD J MARKEY MASSACHUSETTS
AUSTIN J MURPHY PENNSYLVANIA
NICK JOE RAHALL II WEST VIRGINIA
BRUCE F VENTO MINNESOTA
PAT WILLIAMS MONTANA
BEVERLY B BYRON MARYLAND
RON DE LUGO VIRGIN ISLANDS
SAM GEJDENSON CONNECTICUT
PETER H KOSTMAYER PENNSYLVANIA
RICHARD H LEHMAN CALIFORNIA
BILL RICHARDSON NEW MEXICO
GEORGE (BUDDY) DARDEN GEORGIA
JAIME B FUSTER PUERTO RICO
MEL LEVINE CALIFORNIA
WAYNE OWENS UTAH
JOHN LEWIS GEORGIA
BEN NIGHTHORSE CAMPBELL COLORADO
PETER A DeFAZIO OREGON
ENI F H FALEOMAVAEGA, AMERICAN SAMOA
TIM JOHNSON SOUTH DAKOTA
CHARLES E SCHUMER NEW YORK
JIM JONTZ INDIANA
PETER HOAGLAND NEBRASKA
HARRY JOHNSTON FLORIDA
LARRY LaROCCO IDAHO
NEIL ABERCROMBIE HAWAII
CALVIN M DOOLEY CALIFORNIA

# U.S. House of Representatives
## Committee on Interior and Insular Affairs
Washington, DC 20515-6201

DON YOUNG ALASKA
RANKING REPUBLICAN MEMBER
ROBERT J LAGOMARSINO CALIFORNIA
RON MARLENEE MONTANA
JAMES V HANSEN UTAH
BARBARA F VUCANOVICH NEVADA
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CRAIG THOMAS WYOMING
JOHN J DUNCAN JR TENNESSEE
RICHARD T SCHULZE PENNSYLVANIA
JOEL HEFLEY COLORADO
CHARLES H TAYLOR NORTH CAROLINA
JOHN T DOOLITTLE CALIFORNIA
WAYNE ALLARD COLORADO
RICHARD H BAKER LOUISIANA

DANIEL P BEARD
STAFF DIRECTOR
RICHARD MELTZER
GENERAL COUNSEL
DANIEL VAL KISH
REPUBLICAN STAFF DIRECTOR

June 24, 1992

Mr. Clark G. Redick
Senior Vice President
General Counsel
The Wackenhut Corporation
1500 San Remo Avenue
Coral Gables, Florida 33146-3036

Dear Mr. Redick:

Thank you for your letter of June 18, 1992 and the enclosed "dated Invoice Billing for Case Number 427."

In order to clarify the documents Wackenhut has provided to the Committee, please respond to the following questions:

1. Do the above-referenced documents marked TWC 15 - TWC 220 (in addition to those already produced to the Committee) represent a complete set of all the detailed invoices prepared by Wayne Black and sent to Pat Wellington during the course of the Alyeska investigation?

2. Were all charges for time and expenses relating to the Alyeska investigation included on the detailed invoices?

3. How did Wackenhut locate the above-referenced documents?

4. Why was the "dead record storage area" not searched in response to the Committee's August 7, 1991 request or its September 26, 1991 subpoenas?

The Committee would appreciate a response to these questions on or before July 1, 1992.

Sincerely,

Linda J. Chase
Chief Counsel - Investigations

LJC:mm

WACKENHUT
SECURITY SYSTEMS AND SERVICES THROUGHOUT THE WORLD

THE WACKENHUT CORPORATION
1500 SAN REMO AVENUE
CORAL GABLES, FLORIDA 33146-3036
(305) 666-5656

July 1, 1992

Linda Chase, Esq.
Chief Counsel, Investigations
U.S. House of Representatives
Committee on Interior and Insular Affairs
Longworth Building
Washington, D.C. 20515-6201

Dear Ms. Chase:

Thank you for your letter of June 18, 1992 concerning the detailed billings for Wackenhut Investigation No. 427.

As far as we are aware, the documents which have been marked as TWC 15 through TWC 220 and submitted to the Committee on June 18 are a complete set of the Wackenhut invoices for Investigation No. 427, with one exception. You will recall that by hand-delivered letter dated October 3, 1992, we submitted to you certain documents in response to the Committee's subpoena. Those documents include an invoice dated May 15, 1991 (bate-stamp pages 000202 - 000203) which was not in the detailed billing file which we recently found. We believe that this invoice, together with the copies of the detailed billings submitted to you on June 18, constitute a complete set of the Wackenhut invoices for Investigation No. 427.

Not all time and expense charges related to that investigation would have been included in the detailed invoices. Whether to charge a particular item in any given investigation was normally determined by SID while that division was in operation. However, the exact items which were not charged can be determined by comparing the detailed billings with the Detail Time Usage Reports, which were submitted to the Committee on October 16, 1992 and which have been bate-stamped as pages 00237 through 000371.

The detailed billings submitted to you on June 18 were located during a review of other investigative files which were also maintained in our dead records storage area. The billing records were found in a sealed box which also contained a number

of other files not related to Investigation No. 427, but several of which were being reviewed by our personnel. In the belief that no No. 427 files had been maintained anywhere on the premises, our search for records in response to the Committee was concentrated on other areas and we felt that it would have been unnecessary and fruitless to look through the dead records storage area. In any case, the results of those searches which we conducted were submitted to the Committee by hand-delivered letters dated October 3, 1991, October 16, 1991, and October 29, 1991.

The original detailed billings will be at the offices of Holland and Knight, 888 17th Street, N.W., Washington, D.C. on July 7, 1992. The originals have certain physical characteristics which are not readily discernible on the copies delivered to you on June 18. If you wish to review the originals, please contact Janet Studley at Holland and Knight in Washington, telephone 955-5550.

We regret that these documents took so long to find, and then were found only by accident. We know that the absence of detailed billings has been a major cause of concern for you and for the Committee, and sincerely apologize for the delay and inconvenience which this has caused.

Very truly yours,

Clark G. Redick
Sr. Vice President and
General Counsel

cc: Mr. David Dye
Interior & Insular Affairs Committee

UNITED STATES DEPARTMENT OF LABOR
OFFICE OF ADMINISTRATIVE LAW JUDGES

| | |
|---|---|
| In the Matter of<br><br>ROBERT K. SCOTT,<br><br>Complainant,<br><br>vs.<br><br>ALYESKA PIPELINE SERVICE COMPANY,<br><br>Respondent. | Case No. 92-TSC-2 |

MOTION FOR PROTECTIVE ORDER
ON THE GROUNDS OF ATTORNEY-CLIENT AND
ATTORNEY WORK PRODUCT PRIVILEGE

Respondent Alyeska Pipeline Service Company ("Alyeska") and ARCO Transportation Alaska, Inc. ("ARCO") hereby move pursuant to 29 C.F.R. § 18.15 for entry of a protective order to prohibit the use or entry into evidence in this case of a document (the "document") belonging to Alyeska and ARCO on the grounds that it is subject to the attorney-client privilege and the attorney work product privilege.

The document at issue is the handwritten notes of Paul S. Bilgore, an attorney for ARCO Transportation Alaska, Inc., one of Alyeska's owner companies. The notes were taken at the September 25, 1990, and October 3, 1990, meetings of the Legal Subcommittee of the Alyeska Owners Committee. The notes contain factual information communicated by Alyeska personnel in confidence to the attorneys on the Legal Subcommittee as well as

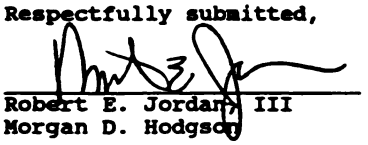
the thoughts, impressions, recollections and advice of counsel concerning that factual information.

The document was not provided to complainant Robert Scott ("Scott") by Alyeska or ARCO nor have Alyeska or ARCO ever waived their attorney-client and work product privileges with regard to the document. Instead, Scott obtained the document through some other means and has attempted to use it in this case, first by attaching the document to his Opposition to Motion for Reconsideration and Modification of the Pre-Hearing Order (filed January 14, 1992) and then by introducing the document during the February 10, 1992, deposition of James Hermiller, President of Alyeska, and seeking to question the witness about the document.

Accordingly, Alyeska and ARCO seek an order providing that Scott may not introduce the document into evidence in this case, may not submit the document into the administrative record in any manner, may not question witnesses about the document, and may not make any other use of the document in this proceeding.

The grounds for this motion are more fully stated in the accompanying Memorandum of Points and Authorities.

Respectfully submitted,



Robert E. Jordan, III
Morgan D. Hodgson

STEPTOE & JOHNSON
1330 Connecticut Ave., N.W.
Washington, D.C. 20036
(202) 429-3000

Attorneys for Respondent
Alyeska Pipeline Service Company
and ARCO Transportation Alaska,
Inc.



Lawrence R. Trotter

ALYESKA PIPELINE SERVICE COMPANY
1835 South Bragaw Street
Anchorage, Alaska 99512

February 21, 1992

UNITED STATES DEPARTMENT OF LABOR
OFFICE OF ADMINISTRATIVE LAW JUDGES

| | |
|---|---|
| In the Matter of<br><br>ROBERT K. SCOTT,<br><br>Complainant,<br><br>vs.<br><br>ALYESKA PIPELINE SERVICE COMPANY<br><br>Respondent. | Case No. 92-TSC-2 |

MEMORANDUM OF POINTS AND AUTHORITIES
IN SUPPORT OF
MOTION FOR PROTECTIVE ORDER ON THE GROUNDS OF
ATTORNEY-CLIENT AND ATTORNEY WORK PRODUCT PRIVILEGE

Respondent Alyeska Pipeline Service Company ("Alyeska") and ARCO Transportation Alaska, Inc. ("ARCO") submit this memorandum in support of their Motion for Protective Order on the Grounds of Attorney-Client and Attorney Work Product Privilege. Alyeska and ARCO ask that the Administrative Law Judge enter a protective order prohibiting the complainant, Robert K. Scott ("Scott") from using or entering into evidence in this case a document belonging to Alyeska and ARCO that is subject to the attorney-client privilege and the attorney work product privilege.

Alyeska and ARCO seek to protect the privileged status of a document which -- through a highly unusual set of circumstances -- came through compulsion into the hands of a congressional committee, whose chairman then, presumably in

pursuit of his own political and publicity objectives, without notice to the privilege holder, or opportunity to object, released the privileged document to the press and the public.

The concept of protecting as privileged a document known to be widely distributed to the public is, movants recognize, one which may initially seem unprecedented. Unprecedented it is, to the extent our review of the case law reveals. But protection is consistent with the basic precepts which underlie the long-established doctrine of privilege in judicial proceedings. Alyeska and ARCO cannot unring the bell of wrongful treatment of privileged material by the committee or its chairman. The important point is that the privilege holder has never acquiesced in acts which breached the confidentiality of the document which is at issue here. Merely because the privilege holder has been abused by the acts of the committee or its chairman, no benefit of access to information should accrue to Scott and his counsel beyond that which would have been available had the compelled production of the document never taken place.

## I. INTRODUCTION AND PROCEDURAL HISTORY

The document at issue is the handwritten notes of Paul S. Bilgore, an attorney for ARCO Transportation Alaska, Inc., one of Alyeska's owner companies. The notes were taken at the September 25, 1990, and October 3, 1990, meetings of the Legal Subcommittee of the Alyeska Owners Committee. The notes contain factual information communicated by Alyeska personnel in confidence to attorneys on the Legal Subcommittee as well as the

thoughts, impressions, recollections and advice of counsel concerning that factual information. As the attached affidavit of Mr. Bilgore indicates, until the House Committee on Interior and Insular Affairs began its inquiry into the Wackenhut investigation (as to which, see below), he had never made his handwritten notes available to anyone else, including his client, representatives of other TAPS Owner Companies or representatives of Alyeska.[1] Bilgore Affidavit, Attachment A, at ¶ 5.

Scott has to date twice attempted to make use of the Bilgore notes in this proceeding. First, Scott included the document as an attachment to his Opposition to Motion for Reconsideration and Modification of the Pre-Hearing Order, Exhibit 34 (filed January 14, 1992). Then, on February 10, 1992, Scott introduced the document in the course of his deposition of James Hermiller, President of Alyeska, and attempted to question Mr. Hermiller about the document. See Attachment B, transcript pages 46-52.

As noted, the circumstances under which the document came to be in Scott's possession are complicated and highly unusual. In reviewing the detailed history that follows, Alyeska and ARCO ask that the Administrative Law Judge keep in mind one main point: that the holder of the privilege has never voluntarily provided the document at issue to Scott or to any

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[1] Mr. Bilgore did prepare typewritten minutes of these meetings, which were distributed to Subcommittee members. These minutes were considered nonprivileged, with the exception of short passages revealing advice of counsel that were redacted when the minutes were produced to the congressional committee on September 16, 1991.

third party or abandoned its claim that the document is subject to the attorney-client and attorney work product privileges. Rather, the document came into Scott's hands through the flagrant abuses of the privilege by a congressional committee against which there was no practical recourse.[2/]

As the Administrative Law Judge may by now be aware, the Committee on Interior and Insular Affairs of the United States House of Representatives (the "Committee") is currently conducting an inquiry in connection with an investigation which Alyeska authorized The Wackenhut Corporation of Coral Gables, Florida, to conduct in 1990. The Wackenhut investigation was conducted in an attempt to identify the source of leaks of attorney-client privileged and other confidential documents belonging to Alyeska and certain TAPS Owners that had been discovered to be in the possession of unauthorized third parties. The Wackenhut investigation also forms the backdrop to Scott's complaint in the instant case.

In the course of its investigation, the Committee's Chairman requested by letter of August 7, 1991, that Alyeska

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[2/] To eliminate clumsy references subsequently in this memorandum, the term "Alyeska" is used to refer to the holder of the privilege. In fact, as Mr. Bilgore's affidavit indicates, the actual holder of the privilege was ARCO Transportation Alaska, Inc., his employer at the time the notes were made and currently, or the TAPS Owners generally, since Mr. Bilgore was present at the meeting at which the notes were taken in his capacity as Chairman of the Legal Subcommittee, a subcommittee of the TAPS Owners Committee. It should be understood that this shorthand is for the purpose of brevity and without prejudice to the identity of the holder of the privilege. The undersigned counsel are authorized to represent the interest of the six other TAPS Owner Companies (in addition to ARCO Transportation Alaska, Inc.) to the extent of their rights to claim the privilege.

provide it with all documents generated in the course of or in connection with the Wackenhut investigation. See Attachment C. Alyeska agreed to cooperate fully with the Committee's investigation (see Attachment D). On September 6, 1991, Alyeska produced to the Committee five boxes of documents. Alyeska expressly stated that it was withholding certain additional documents (including certain video and audio tapes) within the scope of the Committee's request on the grounds that they were privileged. See Attachment E.

On September 10, 1991, the Committee requested that Alyeska provide a log listing all documents being withheld on the grounds of privilege and the basis for each claim of privilege. See Attachment F. Alyeska provided a privilege log on September 16, 1991. See Attachment G. The document at issue in this motion was one of the items as to which attorney client privilege and attorney work product privilege were claimed in the privilege log. See Attachment H.

Over the next several weeks, the Committee disputed with Alyeska the claims of privilege made as to several documents on the privilege log. See Attachments I & J. The Committee never disputed the claim of privilege for the document at issue in this motion.

On September 26, 1991, the Committee served Alyeska with a subpoena for all documents relevant to the Wackenhut investigation, including all documents withheld on claims of privilege. See Attachment K. In response to this subpoena, Alyeska produced additional nonprivileged documents and an

amended privilege log. Alyeska also entered into discussions with Committee staff concerning the status of documents for which attorney-client privilege and attorney work product privilege were claimed. See Attachment L, at 3.

The Committee took the position that the attorney-client privilege is a judicially created doctrine and that its application in proceedings before the Congress is a "matter of Committee discretion." See Attachment M. The Committee indicated that it would not recognize Alyeska's claims of attorney-client and work product privilege and that, if Alyeska continued to withhold the privileged documents, "available procedures to induce compliance will be invoked by the Committee." See Attachments N & O.

Faced with the alternatives of producing the privileged documents or facing a citation for contempt of Congress[1/] Alyeska

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[1/] The offense of contempt of Congress is set forth in 2 U.S.C. § 192, which provides:

> Every person who having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before either House, . . . or any committee of either House of Congress, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor, punishable by a fine of not more than $1,000 nor less than $100 and imprisonment in a common jail for not less than one month nor more than twelve months.

The appropriate procedure for holding a witness in contempt of Congress is prescribed by 2 U.S.C. § 194, which provides:

(continued...)

negotiated an agreement with the Committee setting down conditions under which certain of the privileged documents would be made available to the Committee. The terms of the agreement, as relevant to the present motion, were:

(1) The receipt of privileged information by the Committee would be considered as if made in Executive Session of the Committee pursuant to the rules governing such sessions. Those rules provide that "[n]o evidence or testimony taken in executive session may be released or used in public sessions without the consent of the committee."[4/]

(2) Access to the privileged information would be limited to Committee members and staff members designated to

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[3/] (...continued)
Whenever a witness summoned as mentioned in section 192 of this title fails to appear to testify or fails to produce any books, papers, records, or documents, as required, or whenever any witness so summoned refuses to answer any question pertinent to the subject under inquiry before either House, . . . or any committee or subcommittee of either House of Congress, and the fact of such failure or failures is reported to either House while Congress is in session, or when Congress is not in session, a statement of fact constituting such failure is reported to and filed with the President of the Senate or the Speaker of the House, it shall be the duty of the said President of the Senate or Speaker of the House, as the case may be, to certify, and he shall so certify, the statement of facts aforesaid under the seal of the Senate or House, as the case may be, to the appropriate United States attorney, whose duty it shall be to bring the matter before the grand jury for its action.

[4/] See Rules of the House of Representatives, Effective for One Hundred Second Congress, Rule XI.2(k)(7) (Jan. 1, 1991).

assist in the pending investigation. This limitation would not apply to information disclosed in accordance with the Committee's rules for use in connection with its hearings or any ensuing report.

(3) Neither Mr. Charles Hamel nor any of his counsel,[5/] representatives or agents fell within the categories of persons authorized access.

(4) Alyeska maintained its claim that the documents at issue are subject to the attorney-client privilege and the attorney work product privilege.

See Attachments O & P.

Pursuant to these agreements, the documents in question, including the Bilgore notes, were produced to the Committee on October 11, 1991. At this point in time Alyeska lost control over the subsequent publication of the documents, and had to rely upon its agreements with the Committee for protection against further dissemination.

On November 4, 5 and 6, 1991, the Committee held hearings in connection with its investigation. In the course of the hearings, several members of the Committee introduced into the record various documents that had been produced to the Committee by Alyeska and questioned the witnesses about those documents. On several occasions, privileged items were

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[5/] Counsel for Mr. Hamel include Mr. G. P. Hardy, III and Ms. Billie Garde, co-counsel for Scott in this case. Mr. Julian Mason has previously served as counsel for Mr. Hamel and may currently serve in that capacity. Mr. Mason is a principal in the law firm in which Mr. Scott's counsel, Douglas Baily, also is a principal.

introduced, including the document at issue in this motion. As each privileged item was introduced, even if only a small passage was read into the record, the Committee staff provided that privileged document in its entirety to the press, without advance notice to Alyeska, or opportunity to object. The document at issue was released to the public in this fashion. See Moran Affidavit, Attachment Q; Attachment R, transcript pages 209-211.[4] Alyeska presumes that this is how the document came into the possession of Scott's counsel, who, in their role as counsel to Hamel, were present at the hearings. When a similar release of privileged material had occurred during the hearing, again without notice, a protest by Mr. Jordan, counsel for Alyeska, was brushed off by the Committee Chairman. See Attachment R, transcript pages 94-95.

The Committee's act of releasing privileged documents to the press wholly ignored their privileged status, and appears to have been in violation of its agreement with Alyeska and of the Committee's own rules. See Attachment S, at 3. Seventeen minority members of the Committee signed a letter protesting the majority's actions. Id. Likewise, Alyeska has protested the Committee's blatant disregard for the confidentiality of privileged materials provided to the Committee under duress. See Attachments T & U.

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[4] The transcript excerpts contained in Attachment R are taken from a transcript of the Committee's hearings prepared by a private reporting service retained by Alyeska. The Committee's official transcript of the hearings has not been made available to the public.

Alyeska and ARCO produced the document at issue to Congress on pain of contempt and under strict conditions of confidentiality. In blatant disregard of the procedural safeguards required by its own rules, the Committee released the document to the press and thereby to Scott. Alyeska and ARCO have steadfastly maintained at every stage of the congressional proceedings and continue to insist upon the privileged status of the document.

## II. ARGUMENT

Alyeska and ARCO have taken all reasonable and proper precautions to preserve the confidentiality of the document and should not be penalized in this proceeding because of the unprincipled conduct of a congressional committee, over which Alyeska and ARCO had no control.

Attorney-client communications are ordinarily privileged and thus protected from discovery by a party opponent. The privilege, however, is not absolute. It is well established that the holder of the privilege can waive it through the voluntary disclosure of the confidential communication. Some courts have held that the privilege may even be waived through the inadvertent disclosure of an attorney-client privileged or work product document.

This case, however, is not a case of voluntary disclosure or even of inadvertent disclosure. Instead, this case is about compelled disclosure, made under the most extreme of circumstances. When disclosure of a privileged or attorney work

product document is compelled, the privilege is not waived with respect to use of the privileged materials in subsequent proceedings.

We have not been able to find any case law addressing the consequences of the compelled, involuntary submission of privileged documents to a congressional committee that refuses to recognize the judicially-established doctrines of attorney client and work product privileges. However, there is an instructive line of authority addressing the situation in which a party produces privileged documents or information to a federal agency and those documents are sought by an opponent in subsequent civil litigation.

A party who turns over privileged materials to a government agency in the absence of a subpoena and for the purpose of influencing the agency to treat the party with leniency clearly waives any claim of privilege. Thus in In re Subpoena Duces Tecum, 738 F.2d 1367, 1370 (D.C. Cir. 1984), the court held that the privilege was waived when a company voluntarily disclosed privileged material to the SEC in an attempt to convince the agency that a formal enforcement action was not warranted and the privilege could not be invoked to quash a subpoena for the same materials in later civil litigation. The court reasoned that "[a] client cannot waive that privilege in circumstances where disclosure might be beneficial while maintaining it in other circumstances where nondisclosure would be beneficial." Id. See also Permian Corp. v. United States, 665 F.2d 1214 (D.C. Cir. 1981) (voluntary disclosure to SEC

waives privilege as to DOE request; client cannot pick and choose opponents as to whom it will waive the privilege).

At the other end of the spectrum, where the situation is not one of elective submission but of compelled disclosure, lies the example of court-compelled disclosure. The privilege clearly is not waived if the holder resists production of privileged materials until ordered by a court to do so. See Transamerica Computer Co. v. IBM Corp., 573 F.2d 646, 651 (9th Cir. 1978); Teachers Insurance and Annuity Association v. Shamrock Broadcasting Co., 521 F. Supp. 638, 641 (S.D.N.Y. 1981).

An intermediate situation is presented when the initial production of the privileged materials was required by subpoena. In such cases, the court must consider whether the holder of the privilege took "all possible precautions" to preserve the privilege. See In re Sealed Case, 877 F.2d 976, 980 n.5 (D.C. Cir. 1989). "[T]he relevant consideration is the intent of the [privilege holder] to maintain the confidentiality of the documents as manifested in the precautions they took." Suburban Sew 'N Sweep, Inc. v. Swiss-Bernina, Inc., 91 F.R.D. 254, 260 (N.D. Ill. 1981) (emphasis added). If all possible precautions were taken, there is no waiver. Two types of precautions are typically required.

First, where procedures exist to challenge a subpoena on a pre-enforcement basis or to claim privilege in response to a subpoena, failure to invoke those procedures will waive the privilege. See Maryville Academy v. Loeb Rhoades & Co., Inc., 559 F. Supp. 7 (N.D. Ill. 1982) (production pursuant to subpoena

waives privilege where privilege could have been asserted but was not); Teachers Insurance, 521 F. Supp. at 642 (production pursuant to subpoena waives privilege where available agency procedures to assert privilege in response to subpoena were not invoked). Thus, if the applicable agency rules provide for a motion to quash the subpoena or provide for the assertion of privilege in response to a subpoena, the privilege holder must avail himself of these procedures.

Second, some agencies are amenable to agreements in which they commit to maintain the confidentiality of the privileged materials produced pursuant to subpoena. In such cases, the privilege holder must negotiate or attempt to negotiate an agreement with the agency in which the agency agrees not to reveal the documents to third parties and recognizes the privilege holder's right to assert the privilege in proceedings with third parties. See Maryville Academy, supra, 559 F. Supp. at 8 (failure to seek SEC confidentiality agreement waives privilege); In re Subpoena Duces Tecum to Fulbright & Jaworski, 99 F.R.D. 582 (D.D.C. 1983), aff'd, 738 F.2d 1367 (D.C. Cir. 1984) (unilateral statement in letter to SEC that documents are submitted in confidence does not preserve privilege where SEC's agreement was not sought).

In this case, Alyeska and ARCO were faced with circumstances "equally extraordinary" to a court-compelled disclosure and should not be held to have waived the privilege. In re Sealed Case, 877 F.2d at 980. Unlike the courts, the SEC and other federal agencies, the Committee on Interior and Insular

Affairs does not recognize the attorney-client or attorney work product privileges. See Attachment M. Moreover, there were no procedures available to challenge the Committee's subpoena, other than the process of debate and letter-writing engaged in by Alyeska. Through that undefined process, Alyeska sought but failed to secure an agreement from the Committee which would have preserved the confidentiality of its privileged documents except for the production of them for Committee examination in aid of its investigation.

While some congressional committees have respected claims of attorney-client or attorney work product privilege, many others have not. See Letter of Transmittal to Committee on Energy & Commerce from Representative John Dingell, Chair (June 3, 1983), reprinted in Availability of the Attorney-Client Privilege, in American Law Division, Library of Congress, House Subcomm. on Oversight and Investigations of House Comm. on Energy and Commerce, 98th Cong., 1st Sess., Attorney-Client Privilege (Comm. Print 1982) ("The position of the Subcommittee [on Oversight and Investigations] has consistently been that the availability of the attorney/client privilege to witnesses before it is a matter subject to the discretion of the Chair."); International Uranium Cartel Hearings before Subcomm. on Oversight and Investigations of House Comm. on Interstate and Foreign Commerce, 95th Cong., 1st Sess, vol. 1, at 123 (1977) (Chairman Moss) ("It is my firm conviction that the commonwealth precedents, customs of both the Commons and the House, fully sustain rejecting a claim of attorney-client privilege if it

impedes in any manner whatsoever the necessary inquiries of the Congress in determining whether a law of the United States may have been violated or whether that law accords sufficient protection to the American people."); Note, The Attorney-Client Privilege in Congressional Investigations, 1988 Colum. L. Rev. 145, 159 (1988) (Subcomm. on Government Activities and Transportation of House Comm. on Government Operations stated, with regard to a claim of work product privilege, that "[w]hen a claim of privilege that is not of constitutional origins is asserted before a congressional investigating committee, it is within the discretion of the committee whether to uphold the claim."); 132 Cong. Rec. 3,028, 3,036-37 (holding an attorney in contempt of Congress for refusing to answer questions of investigating committee on grounds of attorney-client privilege).

When a witness before a congressional committee conducting an investigation fails to testify or to produce subpoenaed documents, the relevant committee may initiate contempt proceedings by submitting a statement of facts reporting this failure to the House or Senate. See 2 U.S.C. § 194, supra note 3. The House or Senate certifies this report to the appropriate United States attorney, who then presents the matter to a federal grand jury. The subpoenaed party faces indictment and eventual prosecution for contempt of Congress. See 2 U.S.C. §§ 192 & 194, supra note 3.

There is no agency or court to which the subpoenaed party can bring a motion to quash or similar challenge. Thus, if the investigating committee rejects a claim of privilege, the

subpoenaed party has no option except to produce the subpoenaed information or submit to contempt prosecution.

No recipient of a congressional subpoena has ever successfully challenged a committee's refusal to recognize the attorney-client or work product privilege. See 132 Cong. Rec. 3,032 (1986) ("No case ever denied congressional committees the authority claimed, or reversed the contempt involved."); Stewart v. Blaine, 8 D.C. (1 McArthur) 453 (1874) (only court case to address this issue, upheld the House's contempt citation against an attorney who refused to answer a committee's questions, asserting attorney-client privilege).

Faced with this unbridled congressional power to ignore the privilege, Alyeska took every precaution possible to maintain the confidentiality of the document at issue and others like it. Alyeska refused to produce privileged materials in the absence of a subpoena. Upon receiving a subpoena, Alyeska did not immediately turn over the privileged materials sought. Instead, Alyeska attempted to negotiate conditions of confidentiality with the Committee. The Committee refused to agree to absolute confidentiality, but did agree to restrict access to the documents to authorized staff and agreed that no privileged document would be placed on the public record or otherwise disseminated without a vote of the full Committee under the rules governing Executive Session. The Committee expressly stated that it was prepared to initiate contempt proceedings against Alyeska if the documents were not turned over on these terms. See Attachments N, O & P.

At the time Alyeska produced the privileged documents to the Committee, it had taken every reasonable step a responsible company can pursue to preserve its claim of privilege. Just as parties under compulsion of court order are not required to subject themselves to contempt in order to maintain the privilege, neither was Alyeska required to allow itself to be held in contempt of Congress to preserve its right to claim the privilege in future proceedings. Under these circumstance, the fact that the Committee subsequently broke its promise and released the document without the agreed upon procedural safeguards is irrelevant.

Accordingly, Alyeska and ARCO respectfully request that the Administrative Law Judge rule that the attorney-client privilege has not been waived with respect to Mr. Bilgore's notes, and enter a protective order in the form attached to this motion.

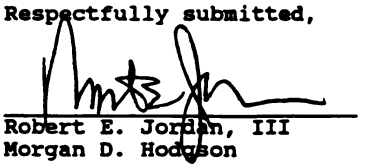
Granting the relief requested imposes no injustice upon Mr. Scott. Had this been a "normal" proceeding, Mr. Scott would not have had access to Mr. Bilgore's notes; only the intervention of a congressional committee and that committee's blatant disregard for the confidentiality of privileged materials placed Mr. Bilgore's notes in the hands of Mr. Scott's counsel. If the requested protective order is entered, counsel for Mr. Scott are not disabled from inquiring into the discussion which occurred at the meeting during which Mr. Bilgore took the notes in

question;[1] they would simply be precluded from using the notes of counsel present for the purpose of providing legal advice as an aid in such interrogation.

## III. CONCLUSION

Based on the reasons set forth above, Alyeska and ARCO respectfully request that the Administrative Law Judge rule that the document is protected by the attorney-client privilege and the attorney work product privilege and enter the requested protective order. A proposed Protective Order is attached.

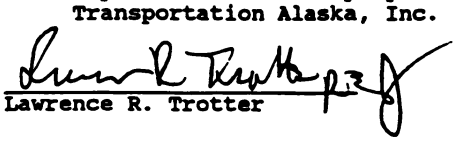
Respectfully submitted,



Robert E. Jordan, III
Morgan D. Hodgson

STEPTOE & JOHNSON
1330 Connecticut Ave., N.W.
Washington, D.C. 20036
(202) 429-3000

Attorneys for Respondent Alyeska Pipeline Service Company and ARCO Transportation Alaska, Inc.



Lawrence R. Trotter

Attorney for Respondent Alyeska Pipeline Service Company

ALYESKA PIPELINE SERVICE COMPANY
1835 South Bragaw Street
Anchorage, Alaska 99512

February 21, 1992

---

[1] Indeed, such inquiry in fact took place during Mr. Hermiller's deposition. See Attachment B, transcript pages 52-71.

BEFORE THE UNITED STATES DEPARTMENT OF LABOR
OFFICE OF ADMINISTRATIVE LAW JUDGES

| | |
|---|---|
| In the Matter of<br>ROBERT K. SCOTT,<br>Complainant<br>vs.<br>ALYESKA PIPELINE SERVICE COMPANY,<br>Respondent. | Case No. 92-TSC-2 |

PROTECTIVE ORDER

This cause came on to be heard on motion of Respondent Alyeska Pipeline Service Company and ARCO Transportation Alaska, Inc. for a Protective Order on the Grounds of Attorney-Client and Attorney Work Product Privilege. Having considered the arguments of counsel and being fully advised, it is hereby ordered that the complainant may not introduce into evidence in this case the September 25, 1990, and October 3, 1990, handwritten notes of Paul S. Bilgore (the "document"), may not question any witness about the document, and may not make any other use of the document in this proceeding.

Date:_____

_____
Jeffrey Tureck

SERVICE LIST

Case Name: Robert Scott

Case No.: 92-TSC-2

Title of Document: Protective Order

A copy of the above-titled document was mailed to the following individuals on _____, 1992.

_____

Douglas B. Baily, Esq.
Ashburn and Mason
1130 West Sixth Avenue
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Anchorage, Alaska 99501

Richard Baker
District Director
Employment Standards Administration
Wage and Hour Division
1111 Third Avenue
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Robert K. Scott
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Lawrence R. Trotter, Esq.
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Monica Gallagher
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Washington, D.C. 20006

R. Kenly Webster, Esq.
Shaw, Pittman, Potts & Trowbridge
2300 N Street, N.W.
Washington, D.C. 20037

CERTIFICATE OF SERVICE

I hereby certify that I have this 21st day of February, 1992, served a copy of the foregoing Motion of Respondent Alyeska Pipeline Service Company for Protective Order on the Grounds of Attorney-Client and Attorney Work Product Privilege with accompanying Memorandum of Points and Authorities and Proposed Order as follows:

Via Federal Express

Douglas B. Baily, Esq.
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Anchorage, AK 99501

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Billie Pirner Garde, Esq.
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Via Hand Delivery

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Via First Class Mail

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Shara L. Aranoff

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ROBERT E. JORDAN, III
(202) 429-6290

March 21, 1992

VIA HAND DELIVERY

Linda Chase, Esquire
House Interior and
Insular Affairs Committee
U.S. House of Representatives
Washington, D.C. 20515-6201

Dear Linda:

This letter follows on up our earlier conversation regarding documents produced by Robert K. Scott in the course of discovery in proceedings before the Department of Labor. Mr. Scott has produced to us several documents apparently generated by employees of the Wackenhut Corporation related to investigation no. 427 that Alyeska did not previously possess. While several of these documents are indistinguishable in substance from documents produced to the Committee, they nevertheless differ in minor technical details, such as dates. Some of the dates on these documents make no sense in light of the documents' contents. We believe that this may be the result of an erroneous automatic date code in the computer files from which the documents were generated. For the sake of completeness, however, we are providing to the Committee, as a supplement to our previous responses to the Committee's requests for documents, copies of those documents not previously supplied to the Committee that have been produced by Mr. Scott.

I would like to emphasize that these documents are not documents that Alyeska withheld from its original production. Rather, these are documents which Alyeska has never possessed and about which it was completely unaware until the time they were provided to Alyeska by Mr. Scott in the course of discovery. There are some unresolved issues concerning whether Ms. Garde possesses any additional documents which have not been provided to the Committee because never received by Alyeska. I enclose a copy of our letter to Ms. Garde on this subject. If we receive

**additional documents which were not produced to the Committee, we will provide them to you promptly.**

**Sincerely,**



**Robert E. Jordan, III**

**Enclosures**

cc: **Billie Pirner Garde, Esq.** (via Federal Express)
**Douglas B. Baily, Esq.** (via Federal Express)

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ROBERT E. JORDAN, III
(202) 429-6290


March 21, 1992

Via Telecopy and Federal Express

Billie Pirner Garde, Esq.
Hardy, Milutin & Johns
500 Two Houston Center
909 Fannin at McKinney
Houston, TX 77010

Re: Scott v. Alyeska Pipeline Service Company

Dear Ms. Garde:

We have compared the documents produced by Robert K. Scott in response to our requests for production of documents and as part of Exhibit 34 to the deposition to Patrick Wellington with the documents we received from the Wackenhut Corporation and produced to the House Committee on Interior and Insular Affairs. The following documents produced to us by Mr. Scott appear not to have been included in the documents previously available to Alyeska:

0007199
0007278
0007312
0007321
0007333
0007334
010075
010076
010119
010120
010221
010250
010252

These documents are documents which Alyeska has never possessed and about which Alyeska was unaware until we received them from Mr. Scott. Consequently, Alyeska could not provide these documents to the Committee on Interior and Insular Affairs

in response to the Committee's requests for documents. In some instances, these documents are indistinguishable in substance from those which we received from Wackenhut and produced to the Committee, differing only in minor technical details such as dates. In fact, the dates of two of the documents make no sense in light of the content. We suspect this may be due to an erroneous automatic date code in the computer file from which they were generated. We have nevertheless supplied the Committee with copies of these documents in order to ensure that our production is complete.

While we were unaware that you have access to the complete set of documents provided by us to the Committee, the statement in your Motion to Compel Answers to Certified Questions of Patrick Wellington at 3, n.3 (March 18, 1992) suggests that you have additional documents beyond those listed above which we do not have and consequently did not turn over to the Committee. On the other hand, there may simply be confusion over the documents which were provided by us to the Committee. It is also possible that we have missed something in comparing our documents with those which have been produced by Mr. Scott in discovery.

In any case, we would like to ensure that the Committee has received all documents responsive to its requests, regardless of the source. Alyeska provided the Committee with all documents in its possession and believed that in so doing it had provided all responsive documents. If you believe that you have responsive documents in addition to those listed above that you believe have not been produced to the Committee, we ask that you furnish them to us so that we may turn them over to the Committee. Alternatively, you may wish to consider providing such documents directly to the Committee.

Thank you for your cooperation in this matter.

Sincerely,

Robert E. Jordan, III

cc: Judge Jeffrey Tureck (first-class mail)
Linda Chase, Esq. (hand delivery)
Douglas B. Baily, Esq. (Federal Express)

HARDY, MILUTIN & JOHNS
ATTORNEYS AT LAW
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800 FANNIN AT McKINNEY
HOUSTON, TEXAS 77010

BILLIE PIRNER GARDE
OF COUNSEL
ADMITTED IN WISCONSIN ONLY

(713) 222-0381

March 23, 1992

Robert E. Jordan, III
Steptoe and Johnson
1330 Connecticut Avenue, N.W.
Washington, D.C. 200036-1795

RE: Scott v. Alyeska Pipeline Service Company, 92-TSC-2.

Dear Mr. Jordan,

I have received your March 21, 1992, letter regarding the Wackenhut documents. I continue to find it incredulous that we have received documents, apparently from Wackenhut, that are not in the possession of either Alyeska or Wackenhut's official files and that you are unable to identify or locate. The fact that documents exist which Alyeska did not identify in response to the Congressional subpoena raises extremely serious questions about the potential destruction of documents that may exist and are responsive to Complainant's discovery in this matter. The missing "billing records" and other memorandum and materials that have been referenced throughout the development of this case, but have not been produced are of great concern to us.

One particularly troubling example that we have discussed and for which I am awaiting an explanation arises from Pat Wellington's testimony that he "knew" that Scott was taking Alyeska materials because he saw Alyeska documents in an envelope that Black had allegedly taken from Hamel's trash. Yet, the document taken from Hamel's trash was not an Alyeska document, but rather a publicly available handout about ANWR. Thus, Mr. Wellington must have formed his opinion about Scott taking Alyeska documents from some other body of material not provided to us in discovery. I would appreciate an answer to my previous question as to whether any Wackenhut operatives provided Alyeska, either Pat Wellington or any other person, the original copies of the documents (Bates Stamp #'s 040625 to 040730) that I obtained from the MITI computer back up disks that cannot now be located at Mr. Hamel's home or the MITI offices.

You understand correctly that we have additional documents, not supplied to you in discovery. These documents are part of the

materials from which the Exhibit 34 documents were produced. As I described to you informally at the deposition of Mr. Scott, the remaining documents are virtually all various versions of transcripts of the taped conversations with Mr. Charles Hamel, or concern other matters not at issue in this dispute. As you have agreed this case is not about Mr. Hamel, although he is a critical witness for both of our cases.

Alyeska has also taken the position that this dispute does not involve other employees, former employees, or state or federal officials that were targeted by the Wackenhut probe, and has not supplied information collected about other targets. We disagree with Alyeska about the scope of the proceeding on this point, since the "chilling effect" on the workforce at Alyeska stems from more than the actions taken against Complainant. In line with this view we have been over inclusive in our production. In the event that the ALJ would agree with our view of the scope of the proceeding, we would supplement our discovery with additional materials we have obtained. I cannot know if all of those materials have been supplied to the Congressional committee investigators.

However, in view of your request to insure that the Congressional Committee investigators have all available information to complete their report, we will provide them copies of the remaining documents for their review. I assume that your request for me to provide the Committee these documents, supersedes your February 13, 1992, discussion with Messrs. Baily and Hardy, that they not provide any information about or from this proceeding to the Committee without prior notice to you.

Finally, I would greatly appreciate an answer to our question, first posed in January of this year, on whether Alyeska is going to waive their right to "gag" the Wackenhut investigators under the Florida statues. Thank you for your attention to this matter.

Sincerely,

Billie Pirner Garde

cc: Judge Jeffrey Tureck
Linda Chase, Esq.
Doug Baily, Esq.

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ROBERT E. JORDAN, III
(202) 429-6290

March 31, 1992

Linda Chase, Esquire
Chief Counsel on Investigations
Committee on Interior and Insular Affairs
U.S. House of Representatives
483 Ford Building (HOB Annex 2)
Third and D Streets, S.W.
Washington, D. C. 20515

Dear Linda:

I apologize for the fact that the documents referred to in my letter to you of March 21, 1992 were not in fact attached to that letter. They were supposed to be, but somebody here failed to do so.

The documents are attached to this letter.

There are ten "documents," comprising a total of thirteen pages because three of the documents consist of two pages. A couple of the documents are letters from Wayne Black to Joel McIntyre and Pat Wellington regarding the transfer of the materials from Wackenhut to Paul, Hastings. These are obviously post-investigation documents. The remaining documents appear to be items generated during the course of the investigation.

I would make one observation which might help in avoiding confusion about the dating of these documents. I believe you are aware that the Wackenhut Special Investigations Division used WordPerfect software to generate documents in the office. One feature of WordPerfect permits you to put an "automatic date" code into a document. This code then causes the computer to read the date set on the computer (which is the current date) whenever a document is printed out. The feature has some utility when you

are working on a document over a period of several days, in that it ensures that when it finally gets printed out it will have the current date on it rather than some earlier date. However, the feature can be quite confusing when you call up a historic document and print it out again, because it will put the current date of printing on the document, regardless of the date the document was generated, even if the document was generated months or years earlier. I believe that this is what happened with respect to several of the documents in the attached package. One such document is the memo from Ricki Jacobson to Wayne Black which shows a date of September 17, 1991 (F2R416584). Since the text of the document refers to events taking place in May 1990, I believe that this is a document which was in fact generated in late May or early June of 1990, and not in September of 1991. The other two documents exhibiting the same aberration are the letter to Joel McIntyre from Wayne Black which bears a date of September 18, 1991 (F2R416592) and a similar letter to Pat Wellington from Wayne Black (F2R416593) bearing the same date. It would appear that these documents were in fact generated in March of 1991, close to the events which are referred to in the letters, and not on September 18, 1991.

With respect to the attached documents we have affixed our standard numbering series. It begins with the "F2R" prefix. This is the numbering scheme we have used for all of the materials produced by Alyeska and its Owners to the Committee through our offices. You will note that there is another set of "Bates stamp" numbers on each document. These numbers are those which were affixed by counsel for Robert Scott in connection with their document production to Alyeska in the matter involving Mr. Scott, or in connection with exhibits used in depositions taken in the proceeding involving Mr. Scott.

The document bearing our numbers F2R416587-588 appears to be identical to a document previously produced to you and bearing the identifying numbers F2R413375-376 (copy attached), except that they have two different dates.

The document bearing our number F2R416591 appears to be identical to a document previously produced to you bearing our number F2R413209 (copy attached), except that the latter is apparently initialed by Rick Lund. If, as we believe, the documents which we are furnishing you for the first time today were generated by printing off computer disks, one would naturally not expect them to bear any initials.

Finally, the document bearing our numbers F2R416589-590 appears to be identical to a document previously produced to you bearing the numbers F2R413264-265 (copy attached), except that they have different dates.

Please call if you have any questions.

Sincerely,

Robert E. Jordan III

Enclosures

cc: David Dye, Esquire (w/enc.)

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ROBERT E. JORDAN, III
(202) 429-6290

October 11, 1991

The Honorable George Miller
Chairman, Committee on Interior
and Insular Affairs
U. S. House of Representatives
Washington, D. C. 20515-6201

Dear Chairman Miller:

The purpose of this letter is to suggest a resolution to outstanding issues concerning information as to which a claim of attorney-client privilege or work product doctrine protection has been made in connection with Alyeska's response to your letter to James Hermiller of August 7, 1991 and your Committee's subsequent subpoena of September 26, 1991 directed to Alyeska. For ease of reference, I will refer to all of this information throughout this letter as "privileged information."

I have been advised by the Committee Staff -- Messrs. Meltzer and Petrich and Ms. Chase -- that because the United States Congress has not adopted the judicially-developed doctrines of attorney-client privilege and work product privilege for application in legislative proceedings, in the absence of some satisfactory resolution of the outstanding privileged information issues, available procedures to induce compliance will be invoked by the Committee.

Alyeska has sought, throughout the pending investigation, to put forth all relevant information requested by the Committee. At the same time, Alyeska is firmly committed to the principle, widely supported throughout our legal system, that all persons should be able to consult with counsel without fear that those consultations will be open to adverse parties. This principle is in many instances more important than the pursuit of specific information in a particular context.

Faced with the Committee's continued insistence on access to material Alyeska considers to be privileged information and the importance of protecting such information, Alyeska has sought to find a middle ground, and, under the compulsion of the Committee's continuing demands, offers the following resolution of the privileged information issues. This proposal has been developed in conversations with the staff members referred to above.

1. Alyeska will make available for inspection by the Committee or designated members of the staff privileged information as described below. That inspection will be made in the Committee's office in the Longworth Building, Room 1324. During such inspection the information will remain under Alyeska's control.

2. Following such inspection, the Committee may, pursuant to a written request from the Chairman, seek the production of such portions of the privileged information as it finds to be necessary in the discharge of its legislative or oversight responsibilities. Alyeska will make that information available promptly in response to such a request.

3. The receipt of privileged information will be considered as if made in Executive Session of the Committee pursuant to the rules governing such sessions.

4. The following material, which Alyeska has claimed to be privileged information, will be produced for the inspection and related procedures described in 1.-3. above.

    a. The documentary information listed on Alyeska's privileged document index as submitted in revised form on October 7, 1991, except the following:

        (i) Material generally described as Exxon Valdez Related Materials consisting of documentary materials (F2R400180-400195; 401002-401504; 413285-413290; 414052-414055; 415796-415801; audio and video tape materials (F2R411216 and

F2R400343); and computer diskettes (F2R414001 (disk 1): file 427.kk; F2414004 (disk4): file 427.v); and duplicates of these materials as listed in the privilege document index. It is our understanding that the Committee is not seeking these materials.

(ii) The state law portions of the Richey, Munroe, Fine & Goodman firm's memorandum of January 17, 1991 and drafts thereof. Alyeska may redact the text discussing state law issues, but will provide all headings under which such discussions take place and, if the headings are not indicative of the subjects discussed, will provide an indication of the subjects. Federal law issues, including the law governing the preservation of information, will not be redacted.

b. Documentary information developed by Paul, Hastings, Janofsky & Walker, as follows:

(i) Interview reports and handwritten notes from which such reports were prepared.

(ii) The Paul, Hastings memorandum to the TAPS Owner Companies of January 22, 1991, except that Alyeska may redact the text of the discussion of state law issues. Alyeska will provide all headings under which such discussions take place and, if the headings are not indicative of the subjects discussed, will provide an indication of the subjects.

(iii) The legal memoranda prepared by Paul, Hastings, except those memoranda or portions of memoranda which discuss state law issues. Alyeska may redact those memoranda or portions of memoranda which discuss state law issues, but will provide the date, author, recipient and subject or title of such state law portions.

It is my understanding that the Committee is not seeking copies of cases, statutes, or similar publicly-available legal materials in the files of Paul, Hastings firm, the Richey firm, or the Baker & Hostetler firm.

It is also specifically understood that access to all or any of the information made available for inspection or produced will be limited to Committee members and those Committee staff members designated to assist in the pending investigation. This limitation obviously does not apply to such information as the Committee properly discloses in connection with its hearings or any ensuing report. Neither Mr. Charles Hamel nor any of his counsel, representatives or agents fall within the categories of persons authorized access.

If the resolution set forth above is acceptable to the Committee, I would appreciate a written communication from you or from your designated counsel so indicating. Upon receipt of such a communication, we will promptly initiate the inspection process.

Sincerely yours,

Robert E. Jordan, III
Counsel for Alyeska Pipeline
Service Company

cc: Honorable Don Young
Richard Meltzer, Esq.
Linda Chase, Esq.
David Dye, Esq.
Jeffrey P. Petrich, Esq.

GEORGE MILLER CALIFORNIA CHAIRMAN
[illegible]

U.S. House of Representatives
Committee on
Interior and Insular Affairs
Washington, DC 20515-6201

DON YOUNG ALASKA
RANKING REPUBLICAN MEMBER
[illegible]

DANIEL P. BEARD
STAFF DIRECTOR
RICHARD MELTZER
GENERAL COUNSEL
DANIEL VAL KISH
REPUBLICAN STAFF DIRECTOR

October 11, 1991

Robert E. Jordan, III
Steptoe & Johnson
1330 Connecticut Avenue, N.W.
Washington, D.C. 20038-1795

Dear Mr. Jordan:

We propose the following changes to your draft letter of October 11, 1991 setting forth the agreement worked out in recent conversations between you and members of the Committee staff.

Page 1, paragraph 2 should read:

> I have been advised by the Committee Staff -- Messrs. Meltzer and Petrich and Ms. Chase -- that because the United States Congress has not adopted the judicially-developed doctrines of attorney-client and work-product privilege for application in legislative proceedings, in the absence of some satisfactory resolution of the outstanding privileged information issues, available procedures to induce compliance will be invoked by the Committee.

Page 2, paragraph number 1 should be changed to provide for inspection by the Committee or designated members of the staff at the Committee's office in the Longworth Building, Room 1324 as set forth in the subpoena.

Page 2, paragraph number 3 should be deleted. Alyeska has no "right" to invoke the Executive Session procedures set forth in the House Rules. We understand that Alyeska's concern with respect to the "privileged" documents is that the documents be made available only to Members and designated Committee staff unless and until the Committee uses the documents for questioning at the hearing or in connection with a report. We have no problem agreeing to disclosure as so limited. Receipt of the documents in Executive Session is, therefore, unnecessary and could preclude the Committee from using the documents at the hearing or in a report.

Page 4, final paragraph should read: "If the resolution set forth above is acceptable to the Committee, I would appreciate a

written communication from you or from your designated counsel so indicating. Upon receipt of such a communication, we will promptly initiate the inspection process."

Please let me know as soon as possible whether these changes are acceptable.

Sincerely,



Linda J. Chase
Chief Counsel - Investigations

cc: Richard Meltzer

GEORGE MILLER, CALIFORNIA, CHAIRMAN
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AUSTIN J. MURPHY, PENNSYLVANIA
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PETER HOAGLAND, NEBRASKA
NANCY JOHNSTON, FLORIDA
LARRY LaROCCO, IDAHO

# U.S. House of Representatives
## Committee on Interior and Insular Affairs
### Washington, DC 20515-6201

DON YOUNG, ALASKA
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WAYNE ALLARD, COLORADO

DANIEL P. BEARD
STAFF DIRECTOR
RICHARD MELTZER
GENERAL COUNSEL
DIANE VAN DER
REPUBLICAN STAFF DIRECTOR

October 11, 1991

Robert E. Jordan, III, Esq.
Steptoe & Johnson
1330 Connecticut Avenue, N.W.
Washington, D.C. 20036-1795

Dear Mr. Jordan:

Chairman Miller has asked me to reply to your letter to him dated October 11, 1991.

With respect to documents within the scope of the Committee's Subpena Duces Tecum dated September 26, 1991, we agree to resolve outstanding claims of attorney-client privilege and work-product privilege according to the terms set forth in the above-referenced letter. We also hereby demand that Alyeska produce to the Committee all documents set forth in paragraph number 4 of the above-referenced letter as limited by subparagraphs 4.a.(i), (ii) and 4.b.(ii), (iii).

We understand that the majority of the documents will be produced late today at the Committee's office in 1324 Longworth. The remaining documents will be produced early next week.

Sincerely,

Linda J. Chase
Chief Counsel - Investigations

cc: Honorable Don Young
Richard Meltzer, Esq.
David Dye, Esq.
Jeffrey Petrich, Esq.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515

## COMMITTEE RESOLUTION NO. 17

BE IT RESOLVED BY THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, That the Chairman, in consultation with the Ranking Minority Member, shall release as he determines to be necessary for use or distribution in connection with the Committee Hearings on November 4 and 5, 1991 (or as they may be continued thereafter) in any subsequent Committee Print, any or all documents received from Alyeska Pipeline Service Company or its attorneys on or after October 11, 1991. Such documents were produced to the Committee in confidence with the understanding that should they be used in connection with the Committee Hearings or in any Committee Print, such use would be specifically authorized by the Committee.

GEORGE MILLER
Chairman

Approved this 30th day of October, 1991.

EXHIBIT 170

GEORGE MILLER, CALIFORNIA, CHAIRMAN
[illegible]

# U.S. House of Representatives
## Committee on Interior and Insular Affairs
Washington, DC 20515-6201

DON YOUNG, ALASKA
RANKING REPUBLICAN MEMBER
[illegible]

DANIEL P. BEARD
STAFF DIRECTOR
RICHARD MEYER
GENERAL COUNSEL
DANIEL VAL KISH
REPUBLICAN STAFF DIRECTOR

November 20, 1991

Honorable George Miller, Chairman
Committee on Interior and Insular Affairs
U.S. House of Representatives
1324 Longworth House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

We are writing to ask that you correct an oversight in the transcripts of the recent three day hearing on the Alyeska Pipeline Service Company covert operation. As you will recall, at the opening of the hearing Mr. Young offered the following unanimous consent request:

> Mr. Young. "I...ask unanimous consent that Members be permitted to introduce into the record such documents that were produced to the committee as may be needed to question the witnesses."

To which you responded:

> Mr. Chairman. "In response to your request, I think that is the way we will proceed, but I think we would reserve the right to object if necessary to the introduction of a document. But it is our intention for our discussions that documents will be introduced into the record, that Members of the committee need to desire to question witnesses. So I am in agreement with you. We will go forward with that, by unanimous consent."

Early in the second day of the hearing Mr. Taylor sought clarification of the committee's determination on this point:

> Mr. Taylor. "May my parliamentary inquiry, which takes precedence over debate, be addressed? We have gotten a number of pieces put before us. Are these being introduced for the record or just the parts being read?"

EXHIBIT 171

The Chairman. "The documents as used by Members are put into the record under the agreement reached between the Majority and the Minority."

Mr. Taylor. "The full document?"

The Chairman. "Yes."

While we agree that your ruling accurately reflects our understanding of how these documents would be treated, it should be noted that this procedure was adopted by unanimous consent and therefore is binding beyond the bounds of an informal agreement.

As indicated by the hearing transcript, you used this procedure 14 times, Mr. Richardson used it 6 times, Mr. Johnston used it 3 times, and Mr. DeFazio used it 3 times.

On the Republican side, Mr. Taylor used this procedure 10 times and Mr. Marlenee used it once. However, for some reason the transcript indicates only one submission for Mr. Taylor. Perhaps this is due to oversight by the stenographer. Mr. Taylor clearly identified the material he was referring to by its Alyeska document number and gave copies to the committee clerk. An important reason for including the entire tape is to insure that excerpts from these tapes, already partially read into the record, be placed in the proper and correct context. Inclusion of the tapes will resolve any ambiguity on that point.

We ask that you correct these unfortunate omissions by seeing to it that the referenced cassette tapes be included in the record as agreed to by unanimous consent of the committee. In the interest of accuracy and completeness, we ask that the improved quality tapes recently supplied by Alyeska be used for the record rather than the older, noisier tapes. We also request that the recent, more accurate transcripts of these tapes also be included in the printed record. A list of these cassette tapes referencing their Alyeska document numbers is attached. It should be noted that the cassettes and transcripts were part of the voluntary submission of documents by Alyeska to the committee and, as ordinary records of the committee, their release is not subject to any disclosure restrictions voted by the committee.

One of Mr. Taylor's submissions was the subject of the following discussion with you:

Mr. Taylor. "Mr. Chairman, would it be possible for us to enter all of the tapes into the record and go from there?"

The Chairman. "We will make that decision down the road."

We understand your response as a desire to refresh your memory concerning the terms of the unanimous consent agreement before allowing their inclusion. Due to the press of the hearing you unfortunately never indicated that these tapes should be included.

If on the other hand, your response was a reiteration of the right to object to the introduction of the tapes en masse (as opposed to tape by tape), we note that you did not in fact object during the hearing. We assume that the right to object does not survive the close of testimony. If that is not the case, we respectfully ask that the same right be preserved for all Members to object retroactively to the introduction of any document.

We also note that with regard to documents received by the committee on or after October 11, 1991, that no determination of their availability for public release was made as required by resolution of the committee. We see no need to raise this as an issue at this time. We mention it only to demonstrate our willingness to cooperate with you to see that the public interest is served by full disclosure in this matter.

As you will undoubtedly conclude from the language of the unanimous consent agreement, introduction of these tapes into the record is not only appropriate but required under the rules. We ask that you take immediate steps to accomplish this.

We believe that the public interest demands a full, fair, and complete explanation of Alyeska's and Wackenhut's behavior in this matter. The tapes and their accompanying transcripts are critical to the question of whether or not there was any interference with communication to the committee and whether any Member of Congress was subject to surveillance. We are confident that you will take the necessary steps to ensure that all Members have these questions answered to their satisfaction.

Thank you for your prompt attention in correcting the oversight in including these important materials in the record of this hearing. We look forward to your confirmation that the record reflects the determination of the committee to include these materials.

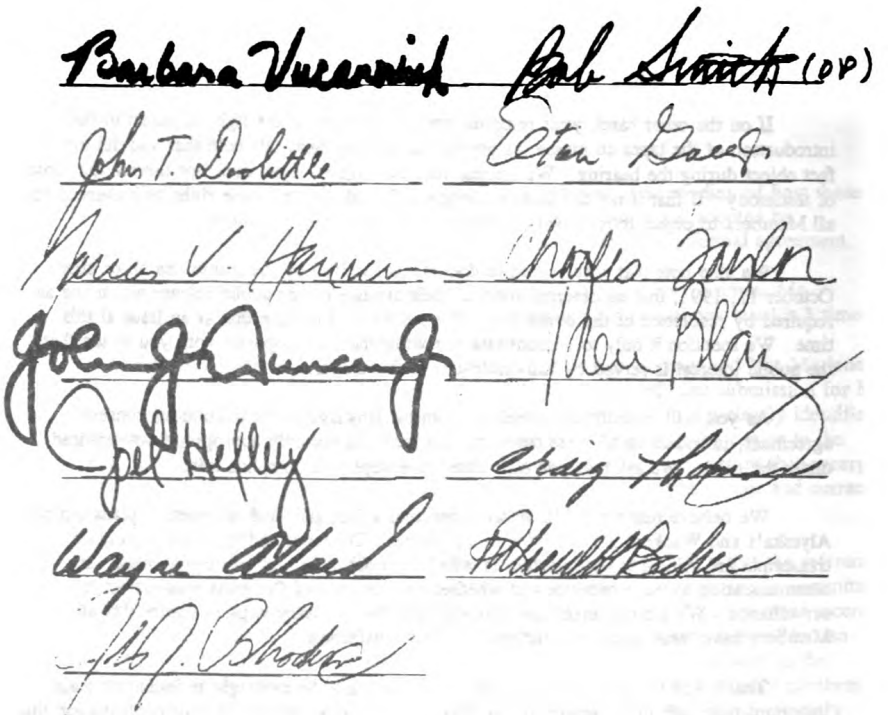
Sincerely,

Dick Schulze

Don Young

Robert Lagomarsino

Ron Marlenee



cc: All Members, Committee on Interior and Insular Affairs

Document (tapes) submitted for the record by Mr. Taylor

| Document Number | | Excerpt # | Reference in hearing Transcript |
|---|---|---|---|
| Improved Tape | Original Tape | | |
| F2R416169 | F2R412110 | 9 | p. 178, Tuesday |
| F2R416171 | F2R412123* | 8 | p. 179, Tuesday |
| F2R416168 | F2R412079 | 7 | p. 181, Tuesday |
| All tapes | All tapes | – | p. 221, Tuesday |
| F2R416169 | F2R412110 | 9 | p. 268, Tuesday |
| F2R416168 | F2R412079 | 7 | p. 274, Tuesday |
| F2R416170 | F2R411221 | 6 | p. 275, Tuesday |
| F2R416178 | F2R411029 | 4 | p. 276, Tuesday |
| F2R416178 | F2R411029 | 5 | p. 55, Wednesday |

* This tape was misrecorded in the transcript as F2R412213. No tape has this document number. The document number referenced on the excerpt taken from the tape correctly identifies the last four digits of the document number as "2123" rather than "2113" as reported.

GEORGE MILLER, CALIFORNIA, CHAIRMAN
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WES. ABERCROMBIE, HAWAII
CALVIN M. DOOLEY, CALIFORNIA

# U.S. House of Representatives
## Committee on Interior and Insular Affairs
### Washington, DC 20515-6201

DON YOUNG, ALASKA
RANKING REPUBLICAN MEMBER
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DANIEL P. BEARD
STAFF DIRECTOR
RICHARD MELTZER
GENERAL COUNSEL
DANIEL VAL KISH
REPUBLICAN STAFF DIRECTOR

November 26, 1991

Honorable Don Young
Ranking Minority Member
Committee on Interior and Insular Affairs
U.S. House of Representatives
1329 Longworth House Office Building
Washington, D.C. 20515

Dear Don:

I am in receipt of a November 20 letter signed by you and each of the other Republican Members of the Committee. The letter requests that I enter covert surveillance tapes and prepared transcripts into the official Committee hearing record on the Alyeska/Wackenhut spy operation.

The letter suggests that it is merely "an oversight" that the draft Committee hearing transcripts do not reflect the entry of surveillance tapes and transcripts into the official hearing record. However, in that respect, the Committee hearing transcripts are accurate, since neither the covert surveillance tapes nor the transcripts were formally entered into the record.

As you know, Interior Committee Rule 11(a) provides that "[e]vidence, testimony, and information relevant to any measure or matter before the Committee will be received for inclusion in the record of proceedings, as determined appropriate....the Chair may exercise discretion as to the content of the record."

As your letter acknowledges, at the opening of the hearing on Monday, November 5, I reserved the right to object to the introduction of any document. Pursuant to my reservation of authority under Committee Rule 11(a). on Tuesday, November 5, I denied Rep. Taylor's request to enter all the tapes into the record, stating that "we will make that decision down the road." (See p. 221) On Wednesday, November 6, I responded to another request by Mr. Taylor to enter tapes into the record by stating that "the chair is not going to allow this document to be used or distributed....I do not want to get into the re-creation of evidence for the purposes of the official record." (See p. 55, 56)

I exercised my authority as Committee Chairman to exclude the tapes and transcripts offered by Rep. Taylor from the official Committee hearing record for two basic reasons:

First, neither Rep. Taylor nor the Minority staff had informed the Majority in advance of the exact nature of the tapes and transcripts being offered for the record. Accordingly, there was no way for us to determine the validity of the materials. Upon inquiry, it was apparent that Rep. Taylor was not using the same tapes or transcripts that had been officially submitted to the Committee in response to its request for documents from Alyeska and Wackenhut. Instead, Rep. Taylor was relying on tape and transcript excerpts which had been prepared either by the Minority staff or a third party. In addition, the transcript excerpts had introductory editorial language attempting to characterize the context and content. Upon further review, Rep. Taylor's transcript excerpts differed significantly from the transcripts originally produced to the Committee by Alyeska and Wackenhut.

Secondly, pursuant to our previous arrangement, we agreed to review materials in the investigative files which contain matter which is private and should not be released to the public. I am unaware that there was any attempt whatsoever to review the transcripts to exclude purely private matters. As the November 5 hearing record indicates, I responded to your own inquiry about distributing investigative materials to the press by expressly reserving the right to review for privacy considerations anything offered for the record and as well as the right to determine whether to release such materials to the press. (See p. 125, 126)

Considering that I had just reviewed your November 20 letter requesting that tapes and transcripts be entered into the official Committee hearing record, I was angered and concerned to learn that the Minority staff had already released a set of additional documents produced by Alyeska, its owner companies, and Wackenhut to the press. This unauthorized release included "enhanced" versions of the transcripts addressed in your November 20 letter. It is my understanding that neither you nor any other Member who signed the November 20 letter authorized the unilateral release of these documents.

Unfortunately, this is not the first time that the Minority staff has, on its own, decided to grant access to the documents and materials possessed by the Committee in the Alyeska investigation. In September, your staff allowed an Anchorage Times reporter access to the entire Committee files on this investigation. I strongly protested this unauthorized action in a September 13 letter to you. This incident led to your personal assurance that the determination of what documents would be released to the public and the timing of any release would be a matter of negotiation between us. I want to make clear that I know you have personally honored those assurances.

The integrity of Committee investigations requires that all documents obtained during the course of this or any Committee investigation (and not made part of the hearing record) be made public only after the Committee has completed its work and has determined that release of the documents is in the public interest. The Committee simply cannot conduct investigations with the Minority staff consistently undermining the rules and agreements between Members of Congress.

As I have stated before, I believe that all relevant documents and other materials received in this investigation should ultimately be made part of the public record -- whether in the hearing record or in the Committee investigative report -- with the very important exception of those documents or materials which unfairly invade the privacy of individuals.

The importance of respecting personal privacy and assuring formal Committee consideration of documents received in an investigation is underscored by the potential for staff liability, since this conduct may not be protected by the "Speech and Debate Clause." It would reflect very badly on the Committee if key Minority staff people are subject to law suits as a result of their unilateral and unauthorized decision to release Committee documents.

I hope this letter adequately addresses your concerns. Please feel free to contact me if you have any questions or wish to discuss this matter further.

Sincerely,

GEORGE MILLER
Chairman

**Statement of Don Young concerning release of Alyeska hearing documents**

Documents received for the record are normally treated as public records by House committees. That has been the practice of the Committee on Interior and Insular Affairs. During the recent Alyeska hearing, testimony and materials offered by witnesses and members were distributed to the press at the direction of the Chairman. This included highly sensitive and privileged documents subpoenaed from Alyeska. The record of the hearing was held open for two weeks so that witnesses and others could submit additional or supplemental material. As an extension of the hearing, the same rules apply to documents received in that manner. Any distribution of materials by staff was according to these procedures.

My original agreement with Mr. Miller was revised and modified by several actions of the full committee, including one to allow members to use any document needed to question witnesses. Several days after the close of the record, Chairman Miller asked that further distribution of materials be temporarily halted and I accommodated that request.

I have consistently maintained that all of the Alyeska documents should be made public except for non-relevant material belonging to or discarded by persons not directly involved in the committee's investigation. To my knowledge, none of the latter has been publicly disclosed. I have been assured by the Chairman that all other materials will be publicly available in due course and I have urged him to do so.

EXHIBIT 172

U.S. Department of Labor

Office of Administrative Law Judges
800 K Street, N.W.
Washington, D.C. 20001-8002



Dated Issued: March 4, 1992

Case No. 92-TSC-2

In the Matter of

Robert Scott
Complainant

v.

Alyeska Pipeline Service Company
Respondent

ORDER DENYING PROTECTIVE ORDER

Respondent has moved for a protective order to prohibit the use or entry into evidence of a document which allegedly is subject to attorney-client and attorney work product privileges. The document -- the handwritten notes of Paul S. Bilgore, an attorney, which were taken at September 25, 1990 and October 9, 1990 meetings of the Legal Subcommittee of the Alyeska Owners Committee -- had been turned over to the House of Representatives Committee on Interior and Insular Affairs pursuant to subpoena, and was released to the public by that Committee in the course of its hearings. Noting that its motion is unprecedented, respondent nonetheless contends that it has never acquiesced in breaching the confidentiality of that document, and further contends that the release of the document by the Congressional Committee should not accrue to the benefit of the complainant.

Complainant responded first that the document was never privileged either under the attorney-client privilege or as attorney work product, and second that the public release of the document by Congress in the course of its investigative duties removed any privilege which may previously have attached to it.

Regardless of whether the Bilgore notes ever were privileged (an issue I find unnecessary to address), it is clear that this document is no longer privileged, since it has been made public by the House Committee. Further, there is nothing in the voluminous documentation attached to respondent's motion indicating that the Committee acted illegally or improperly in making the Bilgore notes public.

Accordingly, there is no basis to grant a protective order in regard to the Bilgore notes. They have been made public, and any privileges which may have attached to this document are now inapplicable. Therefore,

IT IS ORDERED that the motion for a protective order precluding the use of the Bilgore notes in connection with this proceeding is DENIED.

JEFFREY SOBECK
Administrative Law Judge

Anchorage Daily News Sunday, February 2, 1992

# Is oil-pipeline critic Hamel a criminal?

## Alyeska's accusations of extortion and theft against outspoken critic have not stuck yet

By RICHARD MAUER
Daily News reporter

Is Charles Hamel, the oil industry critic targeted in Alyeska Pipeline Service Co.'s Wackenhut investigation, an extortionist and fence for stolen goods?

The pipeline company and its supporters say he is — and that's how they justified their investigation into Hamel and his sources. But examination of the law and discussion with experienced prosecutors shows that neither Alyeska nor Wackenhut has so far provided convincing evidence to support those claims.

Alaska's extortion law plainly doesn't apply to what Hamel did, the prosecutors say, and making a federal case against him would be difficult or impossible given what is known about what happened. What's more, Alyeska Pipeline apparently has never asked any law enforcement agency to investigate him on those charges and has declined thus far to sue him over those matters.



Hamel

In the public justification for their covert investigation of Hamel and his sources, Alyeska officials and attorneys have portrayed him as a criminal trying to blackmail millions of dollars from the pipeline company by threatening to expose alleged environmental misdeeds. They claim that the internal Alyeska documents Hamel has obtained over the years are stolen property and that he broke state and federal laws to get and use them.

"If you receive property from someone, and you know that property is stolen, you are in fact a fence," Miami lawyer William Richey told the U.S. House Interior Committee during hearings in November.

Richey was hired by Alyeska to oversee the last 4½ months of its seven-month undercover investigation, conducted by the Wackenhut Corp. of Coral Gables, Fla. Since the investigation became public last summer, Richey has been Alyeska's leading spokesman for its allegations against Hamel.

Alyeska's officials declined to elaborate on the legal issues. Spokeswoman Marnie Isaacs said Alyeska would have no comment until the Interior Committee releases its report, expected this month or next.

Please see Page A-7, HAMEL

EXHIBIT 174

1894

A7(1)

Anchorage Daily News Sunday, February 2, 1992 A7

# HAMEL: Alyeska's accusations of extortion, theft haven't stuck yet

Continued from Page A-1

Richey didn't return numerous calls to his law office in Miami. Another Alyeska attorney who has called Hamel a criminal, Robert Jordan, wouldn't comment when reached at his Washington, D.C., office.

But the statements and testimony Richey and Jordan provided the Interior Committee offer a broad outline — and some detail — for the charges. If Alyeska has more information to back its allegations, it has not made it public.

The two lawyers based their allegations on memos written by other Alyeska attorneys of their meetings with Hamel or his attorneys, transcripts of Hamel being secretly recorded in conversations with Wackenhut operative Wayne Black in his guise as an environmentalist, additional memos from Black based on alleged Hamel comments that were not recorded, and legal analyses of state and federal law.

Hamel and his attorneys say Alyeska's charges are simply a smoke screen designed to obscure the company's own bad conduct. Rep. George Miller, chairman of the House Interior Committee, has said numerous state and federal laws may have been violated during the Wackenhut investigation. A law firm hired by Alyeska's oil company owners to review the Wackenhut investigation also said federal laws may have been broken.

Hamel, Miller and other critics suggest that Alyeska may have been trying to interfere with ongoing investigations by finding Hamel's sources and shutting them down. Hamel also speculates that Alyeska may have hoped to find secrets in his personal life to embarrass or ruin him.

Alyeska and Wackenhut say the investigation was completely legal and designed to find out who was providing him with the company's documents.

## A CRUSADE AND AN OBSESSION

Hamel began his crusade after losing money in a 1981 deal in which he brokered oil supplied through the trans-Alaska pipeline. He said the oil contained far more water than he bargained on, and the resulting disputes with his clients cost him his business. His lawyers presented a claim to Alyeska of $12 million, though he never sued. Instead, he brought his charges to the Alaska Public Utilities Commission, which decided he didn't present enough evidence and ruled that his allegations were irrelevant to Alyeska's current practices.

Alyeska's allegations of extortion against Hamel have been around since the mid-1980s. That's when Hamel, now 61, broadened his dispute with Alyeska and began bringing its environmental and safety problems to light.

Many of his tips came from pipeline workers who called his toll-free 800 number, he says. They often backed up their claims with photocopied documents and, in a few cases, with hand-drawn recreations of engineering diagrams.

Hamel said several of his sources worked in unhealthy environments and when he took them under his wing, he began to also demand better working conditions and a health plan to cover them for the rest of their lives. The sources also wanted to see Alyeska treat the environment better, he said, and he says he adopted those causes, too.

Alyeska contends that Hamel chose to pressure it to the bargaining table by threatening to bring allegations of environmental crimes to regulatory agencies, Congress and the media.

Hamel acknowledges pursuing his personal issues at the same time as his public issues, but says there is nothing wrong in that.

A7(2)

Anchorage Daily News Sunday, February 2, 1992

"I refuse to believe that the only way to advocate for a clean environment and regulatory compliance is to take a vow of poverty and join a not-for-profit environmental organization (and) that I must choose between pursuing the economic damage that I have been caused by Exxon and the other Alyeska owners, and insisting that they clean up their environmental act," Hamel testified before Congress.

## WAS WHAT HE DID EXTORTION?

In written testimony submitted to the Interior Committee, Richey described Hamel's actions as extortion:

"As early as 1985, Mr. Hamel, through his attorneys, had been threatening various sorts of harm to Alyeska and offering to refrain if he were paid a 'settlement' of approximately $12 million. While his demands generally included other items as well, a cash payment was always an essential part of the package."

Richey, without saying whether he was basing his conclusions on the laws of Alaska, another state, the U.S. criminal code or some other source, defined the crime as "the extraction of money or other valuable consideration under the threat of harmful action by the extortionist.

"It is not a defense if the extortionist believes that he has a right to the money he demands — rather, it is the intent to compel the victim to part with his money that defines the crime," Richey wrote.

But that is not true under Alaska law. Alaska's extortion statute specifically says a defendant may not be convicted if the money "was honestly claimed as restitution or indemnification for harm done," as long as the blackmail threat doesn't include violence.

In addition, Alaska law says the crime of extortion does not exist until a would-be extortionist actually gets the money. Alyeska has never given Hamel any money as a result of his claims.

Dean Guaneli, an assistant attorney general and former chief of prosecutions for Alaska, said that to convict Hamel of even attempted extortion, a district attorney would have to prove beyond a reasonable doubt that Hamel didn't believe Alyeska owed him money. If Hamel could show other heartfelt motives for attacking Alyeska — a concern for the environment or worker health, for example — it would make a prosecution even less likely, he said

Federal law is less forgiving than Alaska's and lacks the same built-in defenses, as Richey says. But other experts say that Hamel could still make a strong case out of his $12 million claim against Alyeska to a jury.

Douglas Williams, a Miami criminal defense lawyer who has represented defendants accused of extortion under federal law and, like Richey, is a former state prosecutor, reviewed the facts of the Hamel case for the Daily News. He said a federal prosecutor would be hard-pressed to convince a jury that Hamel broke the law.

"If what the man was doing was articulating, albeit in a decidedly indiscreet or ill-conceived fashion, what he thought was a legitimate claim or a legitimate right, I would say it would be a difficult row to hoe," Williams said.

The former U.S. Attorney for Dallas and northern Texas, Jim Rolfe, who has

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represented energy and construction interests in Alaska as a private attorney, said Hamel could have been in trouble under federal criminal law if his threats against Alyeska had not been accompanied by a demand that it take care of its employees and the environment as part of a settlement.

"That mitigates against extortion," said Rolfe, who was with the Justice Department for 10 years. "The whole thing doesn't jump out at me as something that a prosecutor would prosecute. It's too confusing and doesn't reach the pale of grievousness."

## DISPUTES ABOUT ALYESKA MEMO

One of the central pieces of evidence offered by Richey against Hamel is a May 1, 1990, memo from Eric Redman, a Seattle lawyer who works on regulatory matters for Alyeska. The memo was written to Fred Smith, then chief in-house attorney for Alyeska, after a conversation between Redman and Julian Mason, an Anchorage lawyer who has represented Hamel.

"By May 1990," Richey told the House Interior Committee, "Mr. Hamel and his attorneys had progressed to the point of demanding further negotiations 'if you want us to stop reading your mail.' Mr. Hamel was clearly prepared to use the confidential information obtained from his sources within Alyeska to force the company to consent to his financial and other conditions."

In his memo to Alyeska, Redman said Mason called him in early April 1990 to say he had some advice for Alyeska, and that it involved Hamel. Redman said he delayed his response. Two weeks later, Redman's memo said, Mason sent word through "an intermediary," whom he identified as Anchorage lawyer Barbara Gruenstein, advising Redman to meet with him "if you want us to stop reading your mail."

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**'Anybody who thinks that a crime has been committed should contact a law enforcement agency, either their local agency or the troopers.'**

Margot Knuth, an Alaska assistant attorney general

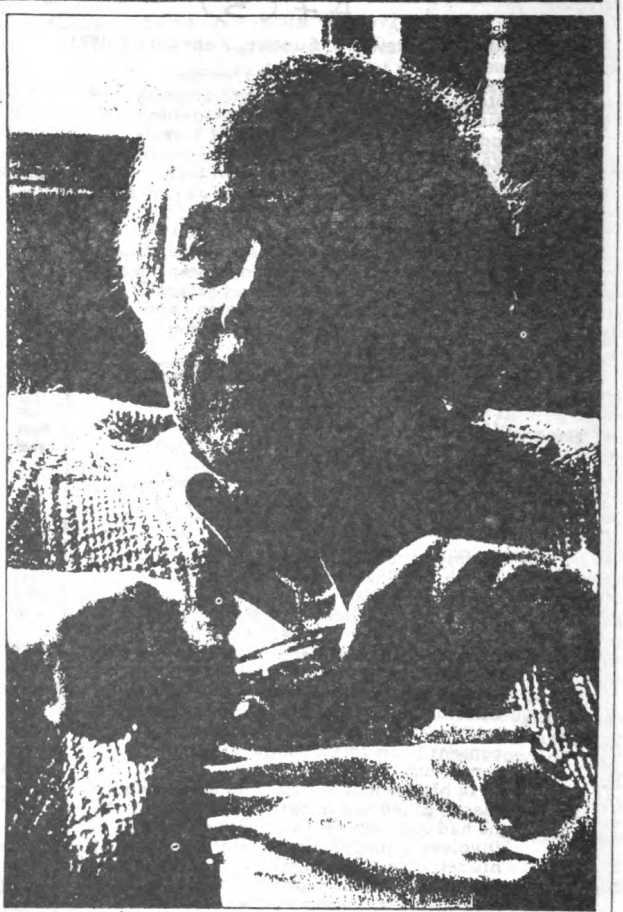
## KEY PLAYERS IN ALYESKA INVESTIGATION



**WAYNE BLACK:** A Wackenhut operative who posed as an environmentalist in an effort to get close to Hamel. Black secretly recorded conversations with Hamel, obtained his long-distance telephone records and directed investigators to rifle Hamel's garbage.



**PAT WELLINGTON:** Alyeska security chief and former head of Alaska State Troopers who testified at the House Interior Committee hearing. Wellington said he believed that all of the Alyeska documents in Hamel's possession were stolen property.



**CHARLES HAMEL:** Oil industry critic from Virginia who claims Alyeska Pipeline Service Co. owes him about $12 million from an oil deal gone bad in the early '80s. Hamel set up a toll-free telephone number to receive tips from Alyeska workers on environmental and safety problems with the pipeline. Alyeska and its supporters claimed Hamel was an extortionist and "fence" for stolen goods. Hamel was the target of a private investigation by Wackenhut Corp. of Coral Gables, Fla., the firm hired by Alyeska.

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**REP. GEORGE MILLER:** Chairman of the House Interior Committee that held hearings on the Alyeska investigation of Charles Hamel. Miller said the Wackenhut investigation may have violated numerous state and federal laws.



**WEV SHEA:** Acting U.S. attorney who rejected the notion that Alyeska could get no justice from the government.



**DAN HICKEY:** State's former chief prosecutor and now a lawyer in private practice. He said that an employee who photocopied Alyeska documents and provided them to Hamel would probably not be guilty of theft unless that person did not have the right to see those documents.

**WILLIAM RICHEY:** A Miami attorney hired by Alyeska to oversee the last four and a half months of the seven-month investigation of Hamel by the Wackenhut Corp. Richey claimed that leaked Alyeska documents were stolen property.

**BILLIE GARDE:** Hamel's attorney in the Alyeska affair. Before going into private practice, she represented nuclear industry whistle blowers as a staff attorney for the Government Accountability Project, a public-interest organization based in Washington, D.C.

**ERIC REDMAN:** A Seattle lawyer who works on regulatory matters for Alyeska. Redman wrote a memo on May 1, 1990, that Richey offered as evidence of an extortion plot by Hamel, but that Redman himself acknowledged was ambiguous.

**FRED SMITH:** Former chief in-house attorney for Alyeska.

**ROBERT JORDAN:** A Washington, D.C., attorney who has represented Alyeska before Congress. Jordan submitted a legal opinion to the House Interior Committee claiming documents Hamel obtained from Alyeska employees were stolen property and that Hamel broke federal law by using them.

**MARNIE ISAACS:** Spokeswoman for Alyeska. The company refuses to comment or elaborate on issues raised by its lawyers.

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# HAMEL: Alyeska's accusations of extortion, theft haven't stuck yet

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"That got my attention," Redman wrote.

But Redman's description of that exchange is challenged by both Mason and Gruenstein. And Redman raised questions in his own memo about how valid his conclusions were.

Redman quoted Mason as saying that Hamel could cost Alyeska $500 million by raising environmental and safety issues. Rather than face that future, Redman told his boss, Mason said Hamel's water-in-the-oil claim could still be settled, and in doing so, "maybe Hamel could be induced to take 'an early retirement.' "

Upon seeing Redman's seven-page memo for the first time last month, Mason said, "I was absolutely stunned — I just sat here for 10 minutes."

"Eric played on a longstanding friendship and wrote a memo which, most charitably, is an exaggeration," Mason said. "I, in no way, shape or form proposed that Eric tell Alyeska to pay Chuck Hamel any money."

Although he has represented Hamel, Mason said he wasn't working for him at the time and wasn't authorized to negotiate for him.

Gruenstein, the supposed go-between according to Redman, said she doesn't recall passing a message about "mail reading" between Mason and Redman. Mason said he doesn't recall using those words either, though he may have teased Redman along those lines because Redman was joining the list of people who had to deal with Hamel and his obsession.

In his memo, Redman acknowledged that he might have gotten it all wrong. "Had the conversation been transcribed, no one reading the transcript would be able to say for certain that Julian was really making a proposal or even extending a feeler," he wrote.

In a telephone interview from Seattle, Redman declined to discuss his memo in detail, saying he believed it was still governed by attorney-client confidentiality.

But he said that at the time he wrote it, he had no idea Alyeska and Wackenhut were investigating Hamel. He said he was asked by Alyeska counsel Smith to engage Mason in the conversation. (He said it was Mason who first contacted him. Mason said it was the other way around.)

Smith said he, too, was unaware of the Wackenhut investigation at the time he asked Redman to meet with Mason. "I was as surprised as anyone that the (Redman) memo appeared among the ones that Wackenhut produced to the committee," Smith said.

Smith told the lawyers who reviewed the Wackenhut investigation for Alyeska's owners that he didn't learn of the Hamel investigation until at least two or three weeks after Redman wrote his May 1 memo.

Nevertheless, the Redman memo went from Smith's file to Wackenhut's investigators within seven days, according to a date stamp on the copy received by the Interior Committee. Smith would not say to whom he gave the memo.

The only other documents offered as evidence by Richey, aside from those produced by the Wackenhut investigators, were three memos written in 1985 and 1986 by another Alyeska attorney, Quinn O'Connell of Washington, D.C. In only one — dated May 14, 1985, after a meeting O'Connell had with three of Hamel's lawyers — is a specific settlement offer from Hamel mentioned.

The May 14 memo dealt with Har allegations that Alyeska was violati numerous federal environmental and securities laws and his threats to make his charges public by complaining to government agencies, the courts, Congress and the media. O'Connell said Hamel's

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attorneys proposed a settlement in which Hamel would back off if Alyeska paid for his business losses and agree, along with its oil-company owners, to "work with him in making sure that his environmental concerns are satisfied."

David Barmak, one of the three Hamel attorneys at the meeting, said it was ludicrous to describe what happened as a crime.

"It was perfectly appropriate for him to go to them, just as any person with a claim could go, and say, 'Look I've got these claims, I want to settle those claims, but in order to settle them, this is what I'm demanding,' " Barmak said.

O'Connell didn't return several calls to his office asking for comment.

## WERE LEAKED DOCUMENTS STOLEN?

What about "stolen" documents? Were Hamel's sources thieves when they photocopied Alyeska documents? Was Hamel a fence for accepting and using them?

In December, before Alyeska imposed its most recent ban on media interviews, Alyeska security chief Pat Wellington offered this appraisal: "I would say at this stage of the game, it's my general opinion that if we can't find anyone who authorized release of the documents, they must be stolen."

Wellington, a former head of the Alaska State Troopers, said Alyeska's attorneys agreed with his analysis. Spokeswoman Marnie Isaacs said Alyeska would not now discuss the conclusion.

If Wellington's opinion is correct, virtually every scrap of paper that Alyeska produces would be considered stolen if it left the company's files. According to a copy of Alyeska's internal rules it provided to the Interior Committee, the company considers every document it creates, with the exception of public announcements, to be secret. Only a vice president, the general counsel or, in the case of less sensitive documents, a department manager, can waive the restriction.

Since at least 1987, Alyeska employees have been forbidden from making any public statements or even writing letters to the editor about the company or pipeline operations without approval of the public relations department or senior managers.

Smith, Alyeska's former counsel, said his fear was much narrower than Wellington's — he was bothered by leaks of attorney-client documents. "Nobody seems at all concerned that the documents Hamel had in his hands were essentially the most critical work-product documents developed in the Exxon Valdez case," Smith said.

Among those documents are an analysis of pending legislation resulting from the oil spill, a chronology of Alyeska's actions immediately following the spill, a report on promises that were made in the 1970s about Alyeska's ability to clean up spills and Alyeska's potential civil and criminal liability over the Exxon Valdez disaster.

As for the other documents considered stolen by Wellington, Smith said, "Alyeska is an open company, a regulated company. Anybody with any interest in any relevant document is always going to see that (document)."

Richey, in supplemental written testimony to the Interior Committee, branded Hamel a knowing possessor of "stolen documents," but he didn't say on what law he based his conclusions.

Robert Jordan, a Washington lawyer who has represented Alyeska before Congress, asserted in a letter to the Interior Committee that theft occurs under Alaska law when one person takes another's property "with the intent to deprive."

Hamel says that as far as he knows, he never received anything other than photocopied documents, so Alyeska was never deprived of its materials.

Jordan, however, asserted that Alyeska suffered economic harm in excess of $5,000 because some of the documents were prepared by attorneys and their loss could increase the company's risks in lawsuits. He also said, without offering any evidence, that Alyeska was required to increase its security "to avoid sabotage facilitated by the theft of operating manuals."

Alyeska spokeswoman Isaacs wouldn't comment on that assertion.

Because the materials were sent through the mails, Jordan said, "Hamel and the employees who assisted him" committed additional felonies under federal law.

Operating manuals and plant diagrams that Hamel obtained from Alyeska sources did indeed cost the company money. That was because Hamel passed them on to the Environmental Protection Agency and the Alaska Department of Environmental Conservation as proof that Alyeska had allowed a critical air pollution system in Valdez to become inoperable. The resulting agency orders to repair the system cost Alyeska $30 million, according to the

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government and Alyeska.

Two Alaska assistant attorneys general, Guaneli and Margot Knuth, said Alaska has no specific criminal law governing the taking of trade secrets or intellectual property.

Guaneli said an employee theoretically could be prosecuted for stealing paper from a photocopier, assuming that is what happened. But what is the likelihood that a district attorney would pursue a case of stealing sheets of paper?

"I think you probably know the answer to that," he said.

A salesman who walked off with a list of clients and cost his employer business might be guilty of theft, Guaneli said.

"Is obtaining information that in and of itself is of no value — it may be of some embarrassment — but is that a theft?" Guaneli said. "In the standard criminal code, there's nothing like that," he said, adding that a definitive answer would require more legal research.

Said Knuth: "I'm fairly confident in thinking that none of our laws were designed to address that situation." And where an activity isn't specifically barred by state law, Knuth said, the courts usually come down against prosecution.

"We certainly have experiences where the Court of Appeals has tried to impress that upon us," she said. "It is tough to answer theoretical questions, but generally speaking, 'stretching' is not well received by the courts."

## WHERE DID DOCUMENTS COME FROM?

Dan Hickey, the state's former chief prosector and now a lawyer in private practice where he represents the state in a royalty case against the oil industry, said the exact manner in which an Alyeska worker obtained documents for Hamel could affect how it's viewed by the law.

"If someone who had access to the documents, or as far as Hamel knew had access to the documents, and gave it to him, clearly that's not an offense," Hickey said. "But if he talks someone into sneaking into (an office in the) middle of the night, violating a bunch of security arrangements, where this person wouldn't normally have access to it, into a locked cabinet and took the document under those circumstances, it might well constitute a theft. . . ."

Wackenhut operative Wayne Black asked Hamel in one of the recorded conversations if his sources "work out of file cabinets."

"No," Hamel replied. "I had someone who worked on the file cabinets. I never asked her. She offered, I wouldn't do it. I mean, God . . . it's her file cabinet."

While he did get some "incredible stuff" from that file cabinet, he told Black, his source acted alone in obtaining documents.

"Everything I get is because everybody so far has approached me," Hamel told his erstwhile confidante. "I wouldn't ask somebody to do that."

Alyeska lawyer Richey, in a May 22, 1990, memo made public by the Interior Committee, expressed some doubts about the law too, but concluded Hamel had broken it. The main purpose of the memo was to caution the Wackenhut team about expanding its investigation to include Rep. Miller, the Interior Committee chairman.

"Before assessing the risks associated with a private undercover operation investigating a Congressman, a threshold issue must be determined; does the photocopying of documents and the distribution of them to the media and others constitute the crime of theft? Unlike a classic case of theft of property . . . photocopying documents which Alyeska employees may have been entitled to read in the first place does not fall into the traditional notion of theft.

"If the employee who is photocopying and leaking the documents is entitled to see them in the first place, then the employee or the Congressman might argue that no crime has been committed. The employee and the Congressman might argue that the employee was entitled to read the documents and talk about them (to his friends and colleagues) and that photocopying documents is not substantively different. Nevertheless, we believe that this argument will probably fail — and that photocopying and distribution of proprietary, confidential

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documents would probably be a crime. Florida Statute §12.081 (Florida Trade Secrets Law) makes this type of conduct a crime. We have not researched the specific laws of Alaska, Washington, D.C., Virginia, Maryland or other jurisdictions, however."

In his testimony to Congress 16 months later, Richey said he still hadn't studied the applicable Alaska statutes.

Richey claimed before Congress that Hamel admitted possessing "stolen" documents in his conversations with Wackenhut operative Wayne Black.

But when pressed by House Democrats for specifics, he could find a direct admission in only one place: a Black memo that said Hamel used the word "stolen" to describe some Alyeska documents.

The only known record of that conversation is in the memos of Black and fellow investigator Rick Lund.

Nowhere in the 15-plus hours of conversations that Black taped does Hamel use the word "stolen," despite Black's efforts to trap him, a review of the transcripts shows.

Hamel says that Black lied in that memo. Hamel said he never referred to the documents as stolen.

Black had convinced Hamel to share a portion of his huge cache of documents — including Alyeska's attorney memos — by falsely promising to file lawsuits to stop environmental harm. Richey said that Hamel acted guilty by asking Black not to copy some documents until he had removed notations that they were the confidential work of Alyeska attorneys.

Hamel's attorney in the Alyeska affair, Billie Garde, said Hamel had every right to possess internal Alyeska documents. Federal whistle-blower laws encourage workers to bring environmental and safety problems to light, and documentary evidence is better than unsubstantiated allegations, she said. Lawyers at the private, non-profit Government Accountability Project, where Garde used to work, agreed.

While Alyeska's attorney-client memos might not have such clear protection, Garde said Hamel didn't obtain those from any Alyeska employee. Neither she nor Hamel

Other documents made public by the Interior committee indicate that Smith, Alyeska's counsel, himself concluded that Hamel's source on that material was not an Alyeska employee but a reporter. And, he told lawyers reviewing the case for Alyeska's oil company owners, the reporter couldn't be forced to reveal the source because of journalist "shield" laws.

Garde also said that Hamel had reason to conclude he had done no wrong because his activities were well-known to the Justice Department, which took no action against him.

In 1986, Alyeska sued the Environmental Protection Agency to learn which of its documents the EPA received from Hamel during an investigation of pipeline operations in Valdez.

In the course of pressing its case, Alyeska raised its two chief claims against Hamel: that he possessed its documents, and that he had offered to drop his environmental claims against Alyeska in return for $12 million and employment as a consultant — essentially the same extortion claim still being made.

But instead of prosecuting Hamel for theft or extortion, the Justice Department successfully defended the EPA's right to possess the documents and withhold them from disclosure. The government lawyers argued that release of the documents to Alyeska would subject employees to retaliation for providing them to Hamel.

A district judge in Washington, D.C., and the U.S. Court of Appeals agreed and threw Alyeska's suit out of court.

In other cases involving private documents taken for public purposes, the courts have held that the original owner had no claim for damages.

In a landmark case in 1968, Sen. Thomas Dodd sued the columnists Drew Pearson and Jack Anderson after they published stories based on documents taken from Dodd's files overnight, photocopied and returned by morning. The courts held that no theft or "conversion" occurred because the original documents were returned and the

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# Security firm investigates Hamel, others

The Wackenhut Corp. of Coral Gables, Fla., ran the secret investigation of former Virginia oil broker Charles Hamel on behalf of the Alyeska Pipeline Service Co., between March and September 1990. Wackenhut operatives stole Hamel's trash, went through his mail, obtained his long-distance telephone records, and taped at least 15 hours of conversations with him in his home and at the Virginia office of a phony environmental organization they created to trick him, the Ecolit Group.

Wackenhut also spied on other private citizens, including Alyeska employees and a Department of Environmental Conservation official. At one point, they considered going after Rep. George Miller, the California Democrat whose House Interior Committee has oversight responsibilities for the trans-Alaska pipeline. No information that has surfaced so far has shown that Miller was actually investigated.

Alyeska had kept the operation secret even from its owners. Then, on Sept. 25 1990, it formally notified its three principal owners, British Petroleum, Arco and Exxon, who immediately ordered it shut down. The owners instituted their own review, and directed everyone involved to keep its existence from becoming public.

Despite those efforts, the cover was blown last July when a former Wackenhut employee tipped off Hamel and Miller. Miller held three days of public hearings on the investigation in November and released dozens of documents he had subpoenaed. His committee is expected to issue a report on its findings this month or next, when more documents — and perhaps secret testimony taken during the first day of hearings — are expected to be made public.

**'As early as 1985, Mr. Hamel, through his attorneys, had been threatening various sorts of harm to Alyeska and offering to refrain if he were paid a settlement of approximately $12 million. While his demands generally included other items as well, a cash payment was always an essential part of the package.**

Miami lawyer William Richey, Alyeska spokesman for allegations against Ham

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information they contained was of public interest.

In a case in which the defense contractor FMC Corp. sued Capital Cities Broadcasting and ABC, the courts held in 1990 that the network could keep copies of documents taken from the company's files — though originals the broadcasters possessed were ordered returned.

## NOBODY CALLED THE COPS

If Alyeska thought Hamel was a criminal, why did it turn to Wackenhut instead of the police? If Hamel's lawyers were co-conspirators in an extortion plot, why didn't it file a bar complaint?

Alyeska declined to discuss these questions with the Daily News. Smith, who quit Alyeska in July, said he never brought the case to the U.S. Attorney's Office in Anchorage because he didn't think the Justice Department would listen.

"Sure we could go to the U.S. attorney," Smith said. "The realpolitik is the U.S. attorney doesn't have time for it." Smith said he believed the Justice Department would tell Alyeska to sue Hamel itself, which it was also reluctant to do.

"You go do that and it puts you in the position of being the big guy on the block, the Daddy Warbucks, suing one little guy who was sort of a romantic folk hero," Smith said.

Acting U.S. Attorney Wev Shea rejected the notion that Alyeska could get no justice from the government. "If there was a situation that needed to be addressed, I or my office would address it, just (as for) any other citizen of the state of Alaska."

Knuth, the assistant state attorney general, said the state would have the same reaction.

"Anybody who thinks that a crime has been committed should contact a law enforcement agency, either their local agency or the troopers," Knuth said. "I believe that governments have set up systems that society has chosen — that's the appropriate way to proceed."

During the Interior Committee hearings, Rep. Samuel Gejdenson, D-Conn., grilled [illegible] chief [illegible] on that

Gejdenson: What was your job in Alaska (before being hired by Alyeska)?

Wellington: I was the director of state troopers.

Gejdenson: Director of state troopers. Somebody steals something. You call the police first? Generally?

Wellington: (Long pause.) I think it depends. (Laughter.) You're asking me a hypothetical question.

Gejdenson: No, I'm asking you what the general rule is when somebody steals something from you. . . . You hire a detective agency, is that the first thing you do? Why don't you go to the police? These are documents that your counsel here claims are stolen property of the company. Why don't you call the FBI or the police?

Wellington: The option that we took was to attempt to determine whether or not, and how the thefts of our confidential, private, attorney-client private documents leaked. . . . Had we been able to determine who was doing it, how they were leaking, we were prepared to go to the appropriate law enforcement agency with that information. But we felt it was prudent, in my professional experience as a corporate security manager, to attempt to look . . . thoroughly before we got law enforcement. It's a totally acceptable practice.

Gejdenson: I'm just asking if it's such a clear case of theft, you now know for several months who the players are, why you didn't go to the police then.

Wellington: I made a professional decision. We were headed that way.

Alyeska has not filed a complaint with police or prosecutors and will not say whether it intends to.

## LAWYERS DISAPPOINTED IN TAPES

Internal memos from the Wackenhut investigation and the subsequent owners' review show that Alyeska indeed considered bringing a civil lawsuit against Hamel to reclaim its documents. It also considered bringing a complaint to the FBI. But those actions were interrupted several times along the way and never pursued

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As early as May 1990, 2½ months into the seven-month investigation, Richey and law partner Jonathan Goodman were cautioning that a complaint to the FBI could backfire if the Alyeska documents in Hamel's possession contained evidence of environmental crimes.

"Then the FBI might launch a criminal investigation of Alyeska and its officers and employees," Richey wrote. "If the documents disclose, or tend to disclose, the existence of a federal crime, then federal law enforcement officers might serve Alyeska with subpoenas for related documents."

Alyeska did take preliminary steps to bring Hamel to court. It hired an attorney from Los Angeles to begin drafting a civil suit and directed Richey's law firm to prepare a prosecution memo to turn over to the Justice Department. In neither case, however, did Alyeska follow through.

After a Sept. 20, 1990, strategy session at Wackenhut headquarters in Florida, according to case documents, Alyeska counsel Smith concluded that there was no case against Hamel over the attorney-client documents because he believed they came from a reporter.

At that same meeting, Richey, who had previously supported the idea of going to the FBI with a prosecution memo, changed his mind after viewing the secretly recorded tapes. The tapes "did not present as strong a case as had been described to Richey," according to an after-the-fact review, prepared by a law firm hired by the Alyeska owners. "In Richey's view, the tapes were described to him as containing much stronger evidence against Hamel than he perceived when he viewed the tapes."

Richey also was concerned that Hamel's claims that he was working with Congress on pollution matters might make the FBI reluctant to get involved, the owners report said.

On Sept. 25, 1990, at a meeting in Denver, Alyeska formally advised its three major owners — British Petroleum, Arco and Exxon — that it had been spying on Hamel since March. Alyeska's officials said they called the meeting to get owner approval to sue Hamel. Instead they were ordered to shut down the investigation and seal the files.

Anne Pace, an Exxon attorney who attended the meeting, wrote in notes that were later subpoenaed by the Interior committee: "We don't at moment think the data is that strong."

Another lawyer at the meeting, Paul Bilgore from Arco, "felt the tapes were only ramblings of a person and did not contain the information Alyeska had promised," according to an interview conducted by the owners' review team. "Bilgore found the tapes disappointing."

## HAMEL WOULDN'T SELL DOCUMENTS

In the first full conversation known to be recorded, Hamel tells Black that his interest in Alyeska isn't solely for money. The tape was made in Black's hotel room in Virginia on June 21, 1990, and though filled with gaps and garbles, Hamel says his interests are broader than just his claim.

Hamel: "They have two things to do — one, pay me for the damage they owe me, and secondly, un, let (garbled) health plan for the employees..."

Black: "So basically, the two things you are asking for is to pay you what they owe you and do the health plan."

Hamel: "If I'm cleaning up the rest, that's part of the deal too. I mean, I'm going to identify some of the things they better clean up..."

Nor would Hamel sell his documents. On Aug. 18, 1990, Black tried to give Hamel $2,000 in cash for them.

"How come you got cash?" he asked Black.

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"It's just easier for different things," Black replied. "It is between us. If I give you this cash, you will not be on our books. If I write you a check. . . ."

"No," interrupted Hamel. "I have to be on the books." Hamel insisted that if he did take money, it would be for expenses in maintaining his tipster network, not for documents.

"I don't want you to ever say that I sold documents. I am not selling documents," Hamel said. "I got them for nothing, and you will have them for nothing."

In later meetings, Hamel eventually took two $2,000 checks from Black. According to Black's memos, Hamel said he would give some of the money to his tipsters for their costs, including a person who was tracking California chemical wastes being dumped on Mexican farmland.

Even Wellington, who oversaw the operation for Alyeska, said the 15-plus hours of taped Hamel conversations failed to prove Hamel was motivated solely by money.

In her report of an interview with Wellington on behalf of the Alyeska owner companies, Atlanta attorney Dorothy Kirkley said the question came up at a meeting of Wackenhut and Alyeska officials:

"One of the things discussed at the Aug. 3 (1990) meeting was whether Hamel was interested in taking Alyeska's money and then dropping his environmental claims," Kirkley wrote. "Wellington noted that this never was unequivocally established in taped conversations."

And Hamel told Black he wouldn't just go into a quiet retirement. Most of his conversations with Black were about new environmental problems he uncovered or complaints about old ones that were never fully addressed.

"I have come to know and understand Hamel," Black wrote in his farewell summation to the file of Case 427 on Oct. 5, 1990. "He has convinced himself that he is the savior of Alyeska and possibly the planet in the fight against pollution and all that is wrong with big oil. He is in his own right a folk hero in Alaska."

Even if Hamel gets the money he believes he is owed by the oil industry, Black wrote, "he will still have his sources and funnel information to the EPA, the media and anyone else who will listen for as long as he

'One of the things discussed at the Aug. 3 (1990) meeting was whether Hamel was interested in taking Alyeska's money and then dropping his environmental claims. Wellington noted that this never was unequivocally established in taped conversations.'

Atlanta attorney Dorothy Kirkley

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# COMMENT ON THE ISSUE OF "STOLEN DOCUMENTS"

***Issue:*** ***Whether providing documentary evidence of allegedly illegal conduct to government agencies is "theft" in either the criminal or civil context; and whether workers may be terminated for providing internal company records to government agencies for enforcement purposes.***

**Facts:** Charles Hamel is an independent oil broker who received copies of internal documents from various oil industry workers concerned about environmental violations. The workers provided copies of documents with the understanding that Hamel would transmit the evidence to appropriate government agencies for enforcement actions. In fact, Hamel did serve as a conduit to Congress and the EPA for these records, and enforcement actions were undertaken.

**Discussion:**

Evidence of illegality is, by definition, unprivileged information. To the extent that an individual or a corporation may refuse to provide such information and cannot be forced to provide such information under principles enunciated by the Fifth Amendment of the U.S. Constitution against self-incrimination, there is a privilege. However, when the information becomes available through other means - - including through leaks within an organization, no privilege attaches.[1]

Whistleblowers almost always persuade Congress and regulators to take action through the use of documentation. Rarely is an agency willing to act based upon the mere word of a worker. Attempts by a corporation to sanction the worker through termination, criminal charges or civil suits, have consistently been rebuffed by the courts.

Is it theft?

If a worker transmits a copy of an internal company record to a regulator or to Congress, is it theft? Alyeska and Exxon attorneys say it is, but clearly this is post hoc rationalization in a weak attempt to justify alleged acts of housebreaking, mail

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[1] *See, In the Matter of the Conduct of Stanley Cornelius, 520 P.2d 76 (1974)(Where one of two Alaskan attorneys who shared office turned over certain documents, use in disciplinary proceeding of documents against the other attorney who had been absent did not violate his privilege against self-incrimination.) Also, see, Pratt v. Kirkpatrick, 718 P.2d 962 (S.Ct. Al. 1986).*

theft, and invasion of privacy. Black's Law Dictionary defines theft as, "*The fraudulent taking of personal property belonging to another, from his possession, or from the possession of some person holding the same for him, without his consent, with intent to deprive the owner of the value of the same, and to appropriate it to the use or benefit of the person taking.*" Definitionally, neither the workers who leaked the information nor Hamel were deriving any personal benefit from the information. There is also a threshhold question as to whether a copy of a document is an "appropriation" which deprives the owner of the value of the document.[2]

Put another way, the copies themselves are evidence of illegality and have formed the basis of enforcement actions by government agencies. It is surely ludicrous to think that a citizen who turns over evidence of the instrumentality of a crime to appropriate authorities is guilty of theft. Could Al Capone have had his bookkeeper prosecuted for "stealing" his ledgers documenting bootlegging transactions? What if the government paid the bookkeeper for the information?

In the end, Alyeska's desperate strategy of "blaming" Hamel for its allegedly illegal acts against him is to be expected. Alyeska's remedy for theft, if indeed there ever was a "theft," was to report the "theft" to government officials for investigation. In no circumstance was Alyeska, a purely private company, justified in taking matters into its own hands and stealing Hamel's mail, obtaining his personal phone records, or committing fraud.

If a theft in the classic definition of the word was committed in this case, it was by Alyeska, through Wackenhut, when it stole Hamel's unopened mail.

Hamel's Activity Was Protected Under Law

Both Hamel and his sources have an absolute right under the First Amendment of the U.S. Constitution to "petition the government for a redress of grievances." A citizen's right to communicate with Congress and government agencies is sacrosanct under U.S. law. Conversely, Alyeska may not interfere with these rights, and Congress has passed laws forbidding obstruction of a Congressional investigation. 18 U.S.C. sec. 1505.

Federal environmental statutes have long provided protection to employees and employee representatives who provide evidence of environmental violations to government officials. Since Hamel's sources were providing evidence of

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[2] *The Court in Pearson v. Dodd, 410 F.2d 701 (D.C.Cir. 1968) held that it was not conversion (theft) when employees copied original documents without damaging the originals or depriving the owner of the documents' value or use. The employees in this case had submitted copies of the documents in question to columnist Jack Anderson.*

environmental violation which actually served as the basis for enforcement actions, the transmittal of such evidence is absolutely protected by statute. Seven environmental laws regulating air and water quality, toxic substances, and hazardous waste disposal and storage, all contain whistleblower protection provisions that prohibit discrimination against employees and their representatives who "cause a proceeding" under the Acts.[3]

Far from sanctioning employees who transmit evidence of a violation under these Acts, Congress encourages employees to report violations and provide evidence of violations, and forbid retaliation against employees who do so. This is such a well-entrenched doctrine that there is not one case on the books of a whistleblower who was sanctioned, civilly or criminally, for providing such evidence.

In passing environmental legislation, Congress recognized that effective enforcement of our environmental laws depended upon internal information from industry employees who should be protected from employer retaliation as a consequence of their enforcement activities:

> *The best source of information about what a company is actually doing or not doing is often its own employees, and this amendment would insure that an employee could provide such information without losing his job or otherwise suffering economically from retribution from the polluter.*[4]

Also important to note is that Alyeska has been under an affirmative duty to report releases to the environment. 42 U.S.C. 9603 (Superfund notification requirements); 42 U.S.C. 6930 (Solid Waste Disposal Act notification requirements). Failure to report violations can subject the company to penalties, including criminal charges. 42 U.S.C. 9603 (b); 42 U.S.C. 11001, et seq. (Emergency Planning and Community Right to Know.)

## CONCLUSION

Chuck Hamel and his sources did not commit any improper or illegal act when they transmitted evidence of environmental violations to government officials and Members

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[3] *Toxic Substances Control Act, 15 U.S.C. 2622; Superfund, 42 U.S.C. 9610; Water Pollution Control Act, 33 U.S.C. 1367; Solid Waste Disposal Act, 42 U.S.C. 6971; Clean Air Act, 42 U.S.C. 7622; Energy Reorganization Act, 42 U.S.C. 5851; Safe Drinking Water Act, 42 U.S.C. 300-j-9.*

[4] *Legislative History of the Federal Water Pollution Control Act, reprinted in 1977 U.S. Code Cong. & Ad. News 1077, 1404.*

of Congress. On the contrary, the relevant laws encourage such reporting, and prohibit any retaliation against employees or their representatives for such reporting.

Alyeska and Wackenhut claim of "stolen and proprietary documents" is a non-issue smokescreen that is relevant only in the context that those organizations may have committed illegalities in its investigation of Hamel and Congress.

The Government Accountability Project condemns the tactics used against Hamel and his sources, and calls upon Congress and the Justice Department to investigate and prosecute all wrongdoing allegedly committed by Wackenhut, Alyeska, or any of the oil companies involved.

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*The Government Accountability Project (GAP) is a non-profit, public interest organization that represents whistleblowers in government and industry. Questions about this memorandum may be directed to Tom Carpenter or Louis Clark at GAP, (202) 408-0034.*

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November 19, 1991

The Honorable George Miller
House Committee on Interior
& Insular Affairs
1324 Longworth House Office Building
Washington, D.C. 20515-6201

**Re: Hamel's Knowing Possession of Stolen Documents**

Dear Chairman Miller:

In the course of my November 5, 1991 testimony during the oversight hearing held by the House Committee on Interior and Insular Affairs on the Alyeska Pipeline Service Company ("Alyeska") covert operation, you raised a question regarding evidence of the fact that Mr. Charles Hamel knowingly possessed documents stolen from Alyeska. I testified to a number of specific instances exhibiting Mr. Hamel's knowledge that day. I also stated to you that I would identify additional references in The Wackenhut Corporation's tape recordings and other materials that informed my judgment on this matter.

In this letter I provide a brief narrative summary of an additional portion of the evidence that convinced me that Mr. Hamel was aware that the documents had been stolen. There are additional instances not mentioned here. I do not bother you with all of the material. Copies of particularly important supporting documents, all of which have been produced to the Committee in this proceeding, have been appended for your convenience. In the case of tape recordings, references are to the enhanced version of the transcripts provided to the Committee earlier this week.

I can state that much of this material, in the form of documents and actual tapes, was seen by me before the investigation was halted. However, it is not possible at this juncture to separate out precisely each of those documents from those that I reviewed in the course of preparing my testimony.

A very important aspect of the evidence is Mr. Hamel's demeanor, his tone of voice and his choice of expression in the recordings. As an experienced prosecutor, I believe those factors would be particularly powerful evidence against Mr. Hamel.

The Wackenhut investigation was initiated for the purpose of determining how confidential documents were being stolen from Alyeska, and that is how the matter was explained to me when I first spoke with Mr. Wayne Black on May 17, 1990. At that time, Mr. Hamel had already openly displayed to one Wackenhut investigator unopened Alyeska mail in his possession (Tab 1 at F2R402297, F2R414872, F2R414676), and his attorney was boasting of reading Alyeska's mail as a way of obtaining leverage against Alyeska (Tab 2 at F2R502917). In addition, by May 17, Mr. Black had had the opportunity to see parts of Mr. Hamel's collection of stolen documents at Mr. Hamel's home. The night before I spoke with him, Mr. Hamel had given Mr. Black a litigation bag full of Alyeska's legal documents, clearly marked "privileged and confidential," and allowed him to review them in detail (Tab 3 at F2R445112). Mr. Hamel made no secret of the fact that he had obtained these documents without Alyeska's permission. Thus the notes made by my partner, Jonathan Goodman, at our meeting with Mr. Black on May 17, state that "Hamill [*sic*] admits that docs are stolen" (Tab 4 at F2R500028).

As the investigation progressed, the Wackenhut investigators audio- and videotaped some of Mr. Hamel's meetings with them. I reviewed several hours of these tapes myself and thus was able to see and hear Mr. Hamel's admissions with respect to stolen documents. For example, on June 21, 1990, Mr. Hamel affirmed that he was obtaining Alyeska's mail (Tab 5 at F2R416202):

> MR. HAMEL: Well, here's what's happening. I'm meeting the intermediary for that source - two weeks - Seattle [ca. 3 seconds inaudible], but I'm going to try to get [ca. 2 seconds inaudible]. I never ask [ca. 4 seconds inaudible] documents.
>
> MR. BLACK: This guy just gives them to you.
>
> MR. HAMEL: They're - they're going through my trash, and that's the same as, as my getting their mail.

Mr. Hamel also referred to his collection of Alyeska's internal memoranda: "a bunch of their memos, their corporate exchange cables, they call them" (Tab 6 at F2R416553). On August 23, 1990, Mr. Hamel acknowledged the fact that he was trafficking in documents that did not belong to him: "I gave the EPA some

documents belonging to Exxon, BP, Sohio, and ARCO" (Tab 7 at F2R416473). Evidently this is how internal Alyeska documents came to be found in the trunk of an abandoned automobile in Anchorage (Tab 8 at F2R416495).

On August 18, 1990, Mr. Hamel admitted to obtaining legal documents from disgruntled employees within Alyeska: "They're in-house documents that came right out of Alyeska, is because somebody is pissed off" (Tab 9 at F2R416357; *see also* Tab 10 at F2R416255). Elsewhere he referred specifically, if colorfully, to "this pile of crap that I got from – from the Legal Division of Alyeska" (Tab 11 at F2R416376). Mr. Hamel was by no means blind to the importance of such documents – as he noted that same day, "[t]he people in that case kind of look at it like their case has been blown" (Tab 12 at F2R416232).

In a clear exhibition of "guilty knowledge," and a criminal state of mind, Mr. Hamel was particularly concerned to make sure that all evidence of the documents' privileged status would be removed (Tab 11 at F2R416376-77; Tab 13 at F2R416402-03).

MR. HAMEL: I want to take that – I want to make sure that each one got this, I cut the confidential lawyer-client thing off each one of them.

MR. BLACK: Okay.

MR. HAMEL: Each page got that kind of crap.

MR. BLACK: Yeah. Well, that's all right.

MR. HAMEL: [ca. 2 seconds inaudible] When you get it... that's [got to be?] taken off.

MR. BLACK: The point is you need the data. We are not going to take a photo of the thing like what you did. We are using the data. So the lawyer-client thing, if we don't OCR it, it is not going to --

MR. HAMEL: -- like cutting it off every page, [one second inaudible] then for me to give you something you shouldn't have, if I cut it off, you can have it.

Mr. Hamel's recorded statements made clear that he was in the business of acquiring Alyeska's confidential documents on a large

scale: "Everything that I do, seven, eight a week" (Tab 6 at F2R416551). Mr. Hamel spoke with pride of the security measures Alyeska had had to institute because of his agents' activities (Tab 14 at F2R416561-562):

MR. HAMEL: Oh yeah. Valdez, when they put it in I was a pretty proud peacock on that one. Because of me there's a building guard in Valdez. His job is to watch the videos of the file cabinets the minute the office closes every day. Before he'd come I had people I know in the file cabinets photocopying. Again, to show you an idea of what you're dealing with. The building, the building guards at Valdez --

MR. BLACK: You have enough people that they're photocopying the file cabinets for you? What's in the file cabinets?

MR. HAMEL: Way back when. You can't any more. What they couldn't pick out that they thought was interesting.

MR. BLACK: Well, they work out of the file cabinets, right?

MR. HAMEL: No. I had some one who worked on the file cabinets. I never asked her. She offered, I wouldn't do it. I mean, God, she worked in, it's her file cabinet. I've never gotten anything from her I didn't want. And we don't even talk to each other any more. I don't want to talk to anybody. When I can't control what happens to the people when they lose their job, this, widow, not a widow but a divorced gal with a couple of kids, I mean, I don't want anything from that woman, ever. I mean, it's her file cabinets. But I had something else going in her file cabinet. In the evening, it's the nighttime, I had a real deal going where I never asked them to be there, I started getting this incredible stuff. I said, how the hell are you getting it? I said, have you lost your mind? Look, I know what I'm doing. Have

you lost your mind? I know what I'm doing. I can handle it.

MR. BLACK: About this stuff?

MR. HAMEL: No. That party was just going into the files and finding anything funny and that's where I got the data that the federal court judge had ruled on. It was that kind of stuff. This person was going into the old files, this is interesting, I'll bet Chuck would -- well, for every page of good stuff I got fifteen pages of worthless stuff.

Mr. Hamel also made clear that, at least some of the time, he actively solicited stolen documents, not only by maintaining a personal toll-free number but through meetings and conversations (Tab 14 at F2R416556-557).

MR. BLACK: Well, if you have any more of these, if you can get any more of these internal legal documents --

MR. HAMEL: I haven't gotten any lately.

MR. BLACK: These are incredible.

MR. HAMEL: That's why I was very low key about her finding out who Heckle [Heckel?] is. Because I wanted to ask her to see if she could get another round of the stuff. I'm very slow about these things. You have to be casual about it or else you get too anxious and --

MR. BLACK: You think she can get some more of these?

MR. HAMEL: I don't know. It all depends on the person. If she feels like giving out any more --

In general, Mr. Hamel's constant uneasiness about the possibility that his sources would be discovered shows that he was perfectly well aware that their actions were illegal. Mr. Black's investigative memoranda reflect this pervasive sense that Mr. Hamel knew he was operating outside the law (*see* list appended prior to Tab 1). Indeed, Mr. Hamel seems even to have conceded that an investigation such as Wackenhut's would be an appropriate response

to his activities: "Hamel told me that he wasn't surprised since he was reading their mail and having their documents stolen they could at least try to get his garbage" (Tab 15 at P2R445143).

Mr. Hamel's own statements, both those recorded and those reported by the investigators with whom he spoke - including, but not limited to, those I have mentioned specifically above - show that he was obtaining Alyeska's internal documents illicitly and that he was aware of this fact. I respectfully request that this letter and attachments be included in the official printed record of these hearings.

Sincerely,

RICHEY, MUNROE, FINE, GOODMAN
& ARMSTRONG, P.A.

William L. Richey

STATE OF FLORIDA
COUNTY OF DADE

Sworn to and Subscribed before me,
the undersigned authority, this
19th day of November, 1991.

Notary Public, State of Florida
My Commission Expires:

Karen J. Gackle, Notary Public
Dade County, State of Florida
My Commission Expires Dec. 4, 1993

## DOCUMENTS RELATING TO THEFT ISSUE

| Tab | Date | Pages (Enhanced Transcript) | Pages (Original Document) | Document |
|---|---|---|---|---|
| 1 | 3/27/90<br>3/28/90<br>3/29/90 | | 402297-99<br>414872-73<br>414675-78 | Jacobson's notes<br>Jacobson memorandum<br>Black memorandum |
| 2 | 5/01/90 | | 502915-21 | Heller, Ehrman memorandum |
| 3 | 5/16/90 | | 445112-17 | Black memorandum |
| 4 | 5/17/90 | | 500028 | Goodman's notes |
| 5 | 6/21/90 | 416202-03 | 411123-25 | Transcript (Ex. 26) |
| 6 | 8/30/90 | 416551-53 | 411068-70 | Transcript (Ex. 30) |
| 7 | 8/23/90 | 416473 | 411251-52 | Transcript (Ex. 27) |
| 8 | 8/23/90 | 416494-96 | 411304-06 | Transcript (Ex. 28) |
| 9 | 8/18/90 | 416356-57 | 412115-16 | Transcript (Ex. 21) |
| 10 | 8/18/90 | 416255 | 412014 | Transcript (Ex. 18) |
| 11 | 8/18/90 | 416376-77 | 411229-30 | Transcript (Ex. 22) |
| 12 | 8/18/90 | 416232 | 412004-05 | Transcript (Ex. 18) |
| 13 | 8/19/90 | 416402-03 | 412130 | Transcript (Ex. 24) |
| 14 | 8/30/90 | 416556-62 | 411073-079 | Transcript (Ex. 31) |
| 15 | 5/18/90 | | 445142-43 | Black memorandum |

1919

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1 427 3/27/91 RSJ

- Kamel told Jacobson that he has an Anchorage bank acct that he uses for purchasing things & he does not want his wife to know about. He spent $12,000 for equipment either a fax or a pilot to add to a fax machine.

- he said he was there for 2 days. He met with someone at 5 in the morning at a picnic table - Jacobson doesn't recall where he said a picnic table was.

- Steve is going to Exxon to pay & get them to take it from cutting down of trees instead of paying it to Disneyworld to use for restoration of trees.

- He showed J. unmarked mail that he says he got for Governor Alyeska & he showed J. memo directed to Terminal personnel.

- his lawyers was called the James Kamel & he talked about sabotage of his lawyer & water being mixed of water.

One of his lawyers is now Att. Gen'l of Alaska

- he told Dept's Dudley Jay that Saw that & his wells weren't dry.

F2R402287

2. 1927 RBS 3/27

— He's going to a condo in Key Largo in April.

— Said that he gets the Algonkian newsletter [illegible] and has Loraki? [illegible] talks at meetings that Kanel & Geoge Reilly — chairman of dir. com — the deal of their services are pay, rumors in the halls.

— He stops on his [illegible] of Park Sterling & sleeps in a Pyjack [illegible] made to be a bed.

— Rita Hall - has son has stayed at her place as tested in June — walls aren't covered well so gets very cold inside. Rita Hall's boyfriend who [illegible] doesn't stay there. They see each other during holidays.

Love Time — He had a tender & they skipped back & forth to Indies — & he mentioned Rhonda's [illegible] name.

— He was plentifully looking for Emerald when we were landing in Seattle & he the

F2R402298

3.477 #55 3/27

pocket of the seat infront of me was a white envelope w/ a white cassette tape inside, a white folded piece of paper & on front of folded envelope was written Art - D. Caulder + all rest of name.

— he said he had a female source that committed suicide.

— talked about Wally Hickel & how he came to Alaska - poor & made his way up.

— he owned some prop in Gulfport Bay :?

FZR402298

MEMO

TO: WAYNE B. BLACK

FROM: RICKI S. JACOBSON

DATE: MARCH 28, 1990

RE: CASE 427
ADDITIONAL INFORMATION

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Hamel told Jacobson that he has an Anchorage bank account that he uses for purchasing things he doesn't want his wife to know about. He spent $12,000 for either a fax machine or a piece of equipment that is added to a fax machine.

Hamel stated that he was in Anchorage for two days. He told Jacobson that he was to meet someone at 5:00 o'clock in the morning at a picnic bench. Jacobson does not recall where he said the picnic bench was. Hamel also stated that his purpose of going to Anchorage was to meet up with Rick Steiner. According to Hamel, Steiner is going to go to Exxon to try and get them to use the money for cutting down the trees for the restoration of the forest rather than giving the money to Disney World.

Hamel showed Jacobson unopened mail that he said he gets from sources within Alyeska. He showed Jacobson memos that were directed to terminal personnel.

Hamel stated that his tanker was called the Janes Hamel, named after one of his sons. He talked about sabotage with his tanker and how water was being mixed with the oil. One of his lawyers is now Attorney General of Alaska.

Hamel states that he had gotten Exxon's drilling logs that stated that his wells were not dry.

Hamel told Jacobson that he is going to a condo in Key Largo in April and that he would call her.

Hamel stated that he gets the Alyeska Newsletter everytime it comes out. He stated that Iorsky talks at meetings about how Hamel and George Miller, Chairman of different committees that deal with these issues, are gay.

Hamel stated that he has stayed with Rick Steiner at his home and has slept in a Kayak that was made to be a bed.

According to Hamel, Ricky Ott has a boyfriend that is also a

fisherman. They see each other infrequently. Hamel said that Ricky Ott's boyfriend refuses to stay at her place. Hamel did state that his son has stayed at Ott's house. Ott has no indoor plumbing, the walls are not covered well so it gets very cold inside.

Hamel stated that he at one time had a tanker that shipped back and forth from India oil and grain. Jacobson is unsure whether he said the oil came from United States to India or whether the grain came from United States to India. But he stated how the tanker would be filled with oil then, it would be cleaned out and grain would be put inside the tanker. He mentioned Ghandi's name when he talked about his dealings with India.

During the decent to Seattle, Washington, Hamel was frantically looking for something. In the pock of his seat in front of Jacobson was a white envelope with a white cassette tape inside, a folded white piece of paper. On front of the folded envelope was written Art. Jacobson could not see the rest of the name. Hamel told Jacobson that he had a female source that committed suicide.

Hamel and Jacobson talked about Walley Hickel and how when he came to Alaska he was very poor and how he made his way up.

Hamel told Jacobson that he owned property at one time in Sailfish Bay.

RSJ:jl
427.8

**REPORT OF INVESTIGATION**
**SPECIAL INVESTIGATIONS DIVISION**

**TO:** FILE

**FROM:** WAYNE B. BLACK

**DATE:** MARCH 29, 1990

**RE:** CHANCE MEETING BETWEEN INVESTIGATOR RICKI JACOBSON AND CHARLES HAMEL ON DELTA FLIGHT 1720 FROM ANCHORAGE TO SEATTLE.

---

On March 24, 1990, Investigator Ricki Jacobson was on Delta flight 1720 from Anchorage to Miami. The stopover for this same flight was to Seattle, Washington. Also, on the flight was Charles Hamel.

Jacobson first saw him around approximately 6:30 a.m. when Hamel approached Jacobson in the concourse area. There was no conversation at that time. Hamel and Jacobson boarded the plane separately. While on the plane, Jacobson originally sat two rows behind Hamel. When Hamel seemed to recognize Jacobson from the conference, Jacobson asked Hamel if he had been at the conference because he looked familiar. Hamel acknowledged that Jacobson also looked familiar and then remembered seeing her at the bar in the Captain Cook. During a brief initial conversation, Hamel mentioned that the bearded man he was with the night before was interested in Jacobson. Hamel mentioned that the man's name was Rick Steiner.

Hamel started a conversation with Jacobson and invited Jacobson to sit with him. Jacobson then moved to row 24, seat c. Hamel was in row 24, seat a. Shortly thereafter, Hamel asked Jacobson if she would like to sit near the window so that she could observe the Alaska scenery. This was done.

During a generic conversation, Jacobson asked Hamel if he was at the conference. He replied that he was not in the conference, but had been, "hanging around." He said that he had other things that he was doing. He then whispered to Jacobson and said that he was a rabble-rouser.

A conversation followed in which Hamel made statements to Jacobson that she attempted to remember as clearly as possible. She went to the lavatory on the plane at one point and made notes. The following information came from those notes and Jacobson recounting the conversation with Hamel. The information that follows may not be in the exact order, but is accurate to Jacobson's ability to recall, based on our debriefing of her and her review of her notes.

DETAILS:

1. Hamel told Jacobson that the oil companies hate him and so do environmental groups. He mentioned that he was suing oil companies and actually showed Jacobson a copy of a complaint and pointed on the complaint to the style whereby he was in fact suing himself as a limited partner of Exxon. He mentioned, during the conversation, that he had previously been represented by an attorney who is now the Attorney General of Alaska.

2. Hamel removed a large map and showed Jacobson, on the map, where his leases were and why he was in the lawsuit in the oil fields. He had apparently received Exxon's drilling logs and the log showed that his wells were not dry as Exxon had originally told him. His leases were at Mount McIntyre and Port Storkensen near Prudhoe Bay, on the North Slop of the State.

3. Hamel told Jacobson that he and his two partners had a general partnership with Exxon/Arco. Exxon either drilled and said that the wells were dry or did not want to drill. He supplied $15 million dollars in cash and another $20 million in another fashion, to get Gulf to drill. The reports that Gulf gave Hamel were apparently very good. They apparently said that the wells were not dry. Exxon, in the meantime, sent Hamel a general partnership letter and $6 million dollars. Hamel said it was unusual for Exxon to send anyone a general partnership letter. He refused the money and is now going to court over monies owed. He expects to recover over $120 million from the lawsuit concerning his fields. He said that the public would be outraged to realize that Exxon knew that wells North of the fault were productive. They would not let anyone know about this because they wanted in ANWR. Hamel said this is why the oil companies did not like him. He said that he didn't care, he was trying to recover monies owed.

4. He said that he finds out information before oil company executives do. He elaborated by saying that he has sources inside Alyeska and as a result, receives unopened mail. The mail is sent from these sources inside Alyeska to his (Hamel's) mail drop. He then showed Jacobson a memo directed to Terminal Personnel and an unopened envelope. Under the unopened envelope were other unopened envelopes. Jacobson is unsure who those were directed to. Under the Terminal Personnel memo were other memos that Jacobson could not see.

5. Hamel mentioned to Jacobson that he was going to be in a condominium in Key Largo in early April and that he would call her on or about that time. Jacobson agreed to meet him.

6. He said that he received the Alyeska Newsletter when it came out. He said that Mr. Iorski discusses him (Hamel) at executive meetings. He said that Iorski has mentioned that he (Hamel) and George Miller, Sub Committee Chairman, were homosexual.

7. Hamel discussed with Jacobson oil drilling in Florida in general. Hamel told Jacobson that he had a well in Stuart, Florida. He discussed off-shore drilling in Florida. He was very inquisitive with regard to The Ecolit Group.

8. During the off-shore drilling discussion, Rick Steiner's name came up. Rick Steiner is a marine biologist. According to Hamel, Steiner is famous and has written several articles. Hamel handed Jacobson a pink telephone message slip with Rick Steiner's home telephone number, 424-5800. The telephone message slip in question is directed to Hamel, dated the 14th of March, at 2:42 p.m. It indicates that Rick Steiner of Cordova called Hamel. Apparently, Hamel was in room 110. The message was, "call office or home 424-5800, third place will be up to see you tomorrow. Off-424-3446." The operator was LH/6. This pink slip was dated and initialed by Jacobson and placed in an evidence envelope with other papers received from Hamel this date.

9. Hamel removed from his brief case, a fax of Steiner's Resume. Jacobson was able to note Steiner's date of birth and social security number. They are 224-76-8709, dob: 1-7-53. Hamel told Jacobson that Steiner lives in Cordova.

10. Hamel told Jacobson that Riki Ott is a good friend of his. Ott is, according to Hamel, a Sediment Toxicologist. Ott was supposed to have attended a conference in Florida on off-shore drilling. Hamel gave Jacobson a yellow piece of paper with Ott's telephone number. Hamel wrote on the paper, "a few more weeks Dr. Riki Ott 907-586-2820, United Fishermans of Alaska, HQS." This piece of paper was initialed and dated by Jacobson and is contained in the same evidence envelope.

11. Hamel also gave Jacobson a piece of his stationary with his name, fax number, 1-800 number and his home number on the paper. Hamel also wrote his wife's name, Kathleen on the piece of paper. That document is also marked and dated by Jacobson and enclosed in the evidence envelope with the other two pieces of paper, totaling 3 in all. The envelope is marked and sealed and retained in our safe as an exhibit.

With regard to finances, Hamel told Jacobson that he has made millions and has lost millions. Hamel told Jacobson that he owns real estate in Florida. He apparently is a major stock holder in the Colonade Hotel. He told Jacobson he is buying property and a boat in Seattle, Washington. Hamel told Jacobson that the house he lived in Virginia was the house that was filmed from the outside in the movie No Way Out. Hamel said that John Dean used to live across the street from him. Hamel bragged that there are articles about him in the L.A. Times and Wall Street Journal. Additionally, he said that the Alyeska Newsletter refers to him as the Virginia Broker.

12. With regard to inside sources in Alyeska, Hamel continued to comment that he knew things before Iorski. He showed Jacobson a cassette in an envelope and gave Jacobson the impression that the tape was an important recording, possibly of an Alyeska meeting.

13. With regard to Rick Steiner, Hamel said that he (Hamel) wanted to remain more anonymous in that he would use Rick Steiner as a, so-called, cover for him (Hamel).

14. Hamel stated that at one time he had a tanker that shipped oil back and forth from India. Apparently, he shipped and exchanged oil for grain. Jacobson was unsure whether he said the oil came from the United States to India or whether it was the other way around. Hamel stated that the tanker would be filled with oil then cleaned out. The grain would be put inside the tanker. He mentioned Endura Ghandi's name when he talked about his dealings with India. He attempted to give Jacobson the impression that he had met her or that she had known of him personally.

15. Hamel and Jacobson talked about Wally Hickel and how when Hickel first came to Alaska he was very poor and how he made money. Hickel, according to Hamel, is the owner of the Captain Cook Hotel. Hamel told Jacobson that he had an Anchorage Bank account that he used for purchasing things he didn't want his wife to know about. He apparently spent $12,000 for either a fax machine or a piece of equipment that is added to a fax machine. Hamel was unclear with his explanation.

16. At approximately 11:15 a.m., Hamel got off the plane at Seattle, Washington. His wife was apparently in Seattle due to her father having a stroke. Hamel said that he would be returning home on Monday. Hamel walked Jacobson to the terminal area and said good bye.

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Confidential & Privileged Lawyer-Client Communication

**MEMORANDUM**

TO: Alfred T. Smith, Esq.

FROM: Eric Redman ER

DATE: May 1, 1990

SUBJECT: Conversation With Julian Mason Regarding Charles Hamel

A. Summary

Julian Mason is Charles Hamel's lawyer and Doug Baily's former law partner. Julian recently asked me to make time for a talk with him. You agreed that I should do so. Julian and I spoke on Thursday, April 26. Although couched in the form of observations and advice, Julian's message seemed to be that (1) Mr. Hamel can and will continue to make life difficult (and expensive) for Alyeska, and (2) Alyeska should consider making some (unstated) payment to Mr. Hamel in return for Mr. Hamel's "early retirement" from his self-appointed role as Alyeska's nemesis.

B. **Background**

Julian Mason is the senior partner in the Anchorage law firm of Ashburn & Mason. His firm represents various plaintiffs in the Exxon Valdez litigation as well as Mr. Hamel. The firm name was Baily & Mason before Doug Baily became Attorney General. It is a small firm, among whose largest clients are Alascom and ENSTAR Natural Gas Company. Julian represents these clients before the Alaska Public Utilities Commission ("APUC").

Julian was my classmate at Harvard Law School (1975). So was Julian's wife, Margie MacNeille. Until 1989, Margie was General Counsel of Chugach Electric Association, the largest utility in Alaska. I have represented Chugach since 1985. Margie was the person who hired me to do so. Chugach and ENSTAR are traditional adversaries on natural gas matters. Margie therefore made it a practice not to advise Chugach on such matters, and natural gas became one of the major issues I handled for Chugach. This thrust me into professional combat with Julian as ENSTAR's lawyer.

In 1988, when our law firm was interested in opening an Alaska office, we had informal but extensive discussions with Baily & Mason about the possibility of that firm's lawyers joining us as our Anchorage office. At the time, both Chugach and ENSTAR were completing long-term natural gas contracts with Marathon Oil Company. Julian and I expected that one result of the new contracts would be that Chugach would cease being a customer of ENSTAR; the Chugach-ENSTAR feud would end with an amicable divorce. Julian and I believed this would eliminate the major obstacle to consolidation of our law firms, if the firms wished to consolidate. (At the

time, our firm did little work for Alyeska, I had heard nothing of Charles Hamel since his Capitol Hill days, and so the Hamel-Alyeska clash was not identified as a potential conflict.)

Julian later broke off discussions between the firms, apparently reluctantly, on grounds that unanticipated conflicts had cropped up. Immediately thereafter, and to the surprise of Chugach and Marathon, ENSTAR effectively declared war on Chugach. ENSTAR tried to block implementation of the Chugach-Marathon gas contract before the APUC, and demanded from Chugach--as the price of withdrawing its opposition to the contract--many millions of dollars that Chugach was strongly disinclined to pay.

A battle royal ensued before the APUC. In the end, our firm and Chugach prevailed against Julian and ENSTAR. (Other law firms could have won for Chugach; ENSTAR's position was outrageous.) ENSTAR's defeat was total and humiliating, leaving Julian depressed and, I thought, embittered against me and my firm. The experience also left our firm disenchanted with Julian and his firm. As a result, until our recent talk, I had not spoken with Julian since the APUC's final order was handed down in late 1989.

Several weeks ago, Julian suggested we should talk. He said he could give me valuable advice for Alyeska, and indicated it had something to do with Hamel. I temporized in response. Julian then sent word through an intermediary (Barbara Gruenstein) that "I have asked you to sit down and talk, and you would, if you want us to stop reading your mail." That got my attention, and yours, and you asked me to get back in touch with Julian.



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C. What Julian Had To Say

The first portion of our talk was devoted to Hamel's grievance against Alyeska for "watered oil," which allegedly cost Hamel a multi-million dollar broker's commission. Julian asked what I knew of the controversy; I said I knew a little. Julian said that this had been his greatest defeat as a lawyer, because he and Hamel knew that Alyeska really had been responsible for the water. Julian's theory seemed to be that the produced water content of North Slope oil had proven excessive; that Alyeska "hid" this fact to help the Owners earn higher tariff revenues; that the BWT facility had somehow been used to dispose of the extra water [I confess the supposed mechanics of this elude me]; and that by mistake Alyeska had somehow left too much water in the oil that Hamel brokered.

Julian said that in uncovering the mechanics of Alyeska's fraud, Hamel learned of the BWT facility being misused to dispose of produced water, and, incidentally, other substances. From that point, Hamel actively investigated, met more Alyeska employees, and learned more of Alyeska's "illegal" practices, particularly at the BWT facility. In the meantime, contrary to Julian's and Hamel's expectations, Hamel's claims against Alyeska (or the Owners? or their affiliates?)--"which could have been settled very inexpensively at the time"--were not paid, and litigation apparently ensued. [You know more of this than I, and Julian didn't discuss it at length.]

Now, according to Julian, "Hamel will cost Alyeska at least $500,000,000 before he's through." Julian said Hamel's next big



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attack on Alyeska will be in the area of worker exposure to benzene and toluene and the health problems that have allegedly resulted therefrom. Julian implied that Hamel is the source not only of material adverse to Alyeska being reported in the press, but also the instigator of the articles themselves (e.g., the Wall Street Journal article).

Julian said that Hamel's sources--the way he gets our mail, and not just information--are disgruntled lower level employees at the Terminal and in Anchorage. These are people who did not like George Nelson or Ivan Henman. Julian acknowledged that there have been changes at Alyeska that have made a difference, and that there are now fewer disgruntled employees, meaning that Hamel has somewhat fewer sources than before. He is still regarded as a hero and confessor by many, however.

Julian stressed that he personally "no longer has any problems with" anyone at Alyeska. He called Henman a consistent liar, incapable of telling the truth, and claimed that Henman's lying drove many employees to Hamel. (I defended Ivan, based on my experience with him.) Julian then surprised me by explaining his personal animosity to George Nelson on grounds that "George Nelson killed a friend of mine." When I expressed astonishment, Julian said George had been the designated diving "buddy" of a woman (Julian's friend) who got into trouble during a group scuba dive off the coast of Maui, and who died of an air embolism after George "panicked and abandoned her." (I was essentially speechless after this, and Julian hastily changed subjects.)



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The apparent heart of the matter then arose. Julian said: the trouble is that people at Alyeska now regard Hamel as a nut and don't think he can still hurt them, but he can. I replied: from what I've heard, people at Alyeska believe Hamel can and does hurt them; it is at EPA that Hamel is now regarded as a nut; at Alyeska the sole question I have heard relating to Hamel's mental state is, "What is it that compels a man waking up in Virginia every morning to ask himself, 'What am I going to do to Alyeska today?'"

Julian then said that he believed Hamel's claims against Alyeska could still be settled, and that maybe Hamel could be induced to take an "early retirement" from waking up in Virginia every morning and asking himself "What am I going to do to Alyeska today?" Julian went on to say that there is an obvious problem with this: "Chuck would be perceived as selling out the Alyeska employees who rely on him, and their cause, and Alyeska would be perceived as bribing Chuck to buy his silence." Nonetheless, and with no encouragement from me, Julian said that over the next few weeks or months he would talk to Hamel about what, if anything, might suffice in the way of a settlement that would make him happy. That is where our conversation ended.

Written in this fashion, the conversation does not do justice to Julian's subtlety and guile. Had the conversation been transcribed, no one reading the transcript would be able to say for certain that Julian was really making a proposal or even extending a feeler. In fact, for all I know, Julian may merely have been trying (1) to make me feel uncomfortable (hence my recitation of



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the background above) by suggesting his power over me and my client, or (2) genuinely to give advice, in the form of a word to the wise, that Alyeska should continue to expect trouble from Hamel unless Alyeska continues to "make progress" (in Julian's view) from the days of the Nelson era.



F2R302921

**REPORT OF INVESTIGATION**
**SPECIAL INVESTIGATIONS DIVISION**

**TO:** PAT WELLINGTON

**FROM:** WAYNE B. BLACK

**DATE:** MAY 16, 1990

**RE:** REVIEW OF STOLEN ATTORNEY/CLIENT DOCUMENTS IN HAMEL'S POSSESSION

---

The following was dictated from the ECCO Pizzaria next to Hamel's house.

As I reviewed documents that Chuck Hamel allowed me to review and tape record while he and Rick Lund ordered a meal.

The first document is an Alyeska Pipeline Service Company document that appears to be on letterhead from the Anchorage Office at 1835 Bragaw Street, Anchorage, Alaska 99512. It has the telephone number and the telex at the top. The document is dated May 26, 1989, and is addressed to a group of lawyers.

A paragraph starts at the bottom of the page. The lawyers names are A.S. Tabor, E.A. Pace, G.E. Davis, A.G. Melas, P.S. Bilgore, J.R. Kinzer, and R.A. Johnson, who at that time was apparently Chief Counsel, BP pipeline. The letter is from Alfred T. Smith, General Counsel. The letter starts:

THIS DOCUMENT IS ATTORNEY/CLIENT PRIVILEGE

"Dear Legal Subcommittee Members; Herewith and ana of legal memoranda prepared by Gibson, Dunn, and Crutcher or subjects of import to the defense of Alyeska and owner companies and from claims arising out of the Exxon, Valdez oil spill. As additional memoranda are generated, we will continue to update those volumes. Of particular note, the memorandum on [

] is anticipated June 12th."

Inside this document is a memorandum dated May 22, 1989. Under the date is number T-01207-00001. The memorandum is directed to Charles C. Ivie from Cheryl D. Justice regarding inventory of legal research. In the lower left hand corner of page 2 of this memo are the numbers (0624n). This document is 3 pages long and is copied to Robert S. Warren, Esq. and Robert W. Lowen, Esq. The last paragraph on page 3 of this document is on going research. It has two paragraphs number 22 and 23.

Number 22 is [

.]

Following that there is a blank page followed by an April 6, 1989, memoranda to Larry L. Simms, Esq. from Philip H. Rudolph, re [ .] This memo

which sites cases is approximately 7 pages long. At the lower left hand corner of page 7 are the words Lawp:0352x.

This documents contains several other memos as follows: One dated April 7, 1989, serial number T-01207-0001, to Larry Simms from James Doda, re:[ ,] This memo is approximately 14 pages and was distributed Larry Simms, Richard Dashefsky, Robert A. McConnell, Philip Rudolph, David A. Paine, Scott B. Bolinger, Lory Wilkerson and James Doda. There are numerous other memos that I don't have the time to review right now. Most are to Simms, one is from Scott B. Bolinger, regarding [ .]

An April 18, 1989, memorandum from Richard Brener to Robert S. Warren, Esq., regarding [ .]

A May 18, 1989, memorandum from Thomas Piccone to Pamela A. Ray, Esq., regarding [ .] It should be noted that this document as well as some of the others are marked Privileged and Confidential. There is also an attorney work privileged indication.

There are also Gibson, Dunn and Crutcher memoranda to Robert S. Warren and Charles C. Ivie. The aforementioned documents are in the one package with the May 26th cover letter and are approximately an inch and a half thick.

The second pack of documents are stamped confidential. This is a memorandum from Thomas M. Piccone to Robert S. Warren, dated June 23, 1989, regarding [ .]

The third set of documents is dated June 25, 1989. Under the date there is a serial number T 01207-001. This memorandum is marked confidential. It is to Robert S. Warren, re: [ .] This document is approximately 11 pages long. In the lower left hand corner near the typist initials or where they should be there is LA:915111, under that there is an SF:3177P.

The next group of documents is a memorandum to Robert S. Warren, dated June 28, 1989, Re:[ .] This is a 62 page document which sites case law and discusses theory. In the lower left hand corner of this document there is (0835N).

THIS DOCUMENT IS ATTORNEY/CLIENT PRIVILEGE

The next document is a June 29, 1989, to Robert S. Warren and Charles C. Ivey from Document Revies Team, Re:[

.] This memorandum is marked on each and every page at the bottom, Privilege-Attorney Work Product. This document is approximately 53 pages long with an addendum entitled[

.]

A June 29, 1989, memorandum to Robert S. Warren, Re:[

.] This memorandum also has an introduction and is 84 pages long. It is also work product privileged. There are control numbers on the lower left hand corner of some of these pages indicating (1141n) the 83rd page has 1167n as does the 84th page.

The final document provided for review, but not copied by Hamel is entitled Attorney Work Product Privilege and Confidential. The title of the document is actually[

]

Page 6
Pat Wellington
May 16, 1990

[ . ] This document has a table of contents and basically talks about

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THIS DOCUMENT IS ATTORNEY/CLIENT PRIVILEGE

1944

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- About 3 weeks ago, Lt + Richie go to DC for dinner with Hamill + his wife

- He takes them to a computer room, where he had his mail / mail clip

  - he sees that Scott's PO Box was on one of the envelopes

- Hamill takes them to a ~~restricted~~ computer room and they pick up confidential documents.

- Hamill admits that docs are stolen
- Has given docs to DOJ and Atty General Alaska
- Alaska says he has privileged attny-client docs

  - waived as privileged from both inside + outside counsel

-- ~~HH~~ - George Miller -- Congressman, Dem, out of Calif - has been releasing some of the docs. Committee Interest: Ucomm's Committee

- He says that the piece of Exxon + Hill pick that Miller + Hamill are homosexual lovers.

- Hamill says that Miller did steal documents.

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MR. HAMEL: And that case, if went up to the Court of Appeals _____. It did go to the Court of Appeals and the court took three years to decide it, and the Court of Appeals said – agreed with the federal judge that – the whole argument was that if they knew who – if they had the document, they could identify it. [inaudible].

MR. BLACK: Okay, pertaining – I hear you. Pertaining to the documents that you end up turning them over. You don't turn them all over, you just - -

MR. HAMEL: Only the ones that I turned over to them, because I was trying to get the federal government to give 'em, and the federal government didn't give. So I stopped giving new documents. That's if, I'm never giving them any documents.

MR. BLACK: But the sources still keep giving them to you, so you've got them.

MR. HAMEL: I keep giving the federal government information. I can tell them what the document is, and they can go get their own. [inaudible] I also give it to them in _____ form. I take away identification all that kind of stuff, put it through fax machine.

So all that started, but they are _____.

MR. BLACK: Speaking of documents, those documents that I looked at were documents from inside the legal department, those were incredible. Do you still have them? I'd like to spend some more time with them.

MR. HAMEL: Well, here's what's happening. I'm meeting the intermediary for that source – two weeks – Seattle [ca. 3 seconds inaudible], but I'm going to try to get [ca. 2 seconds inaudible]. I never ask [ca. 4 seconds inaudible] documents.

MR. BLACK: This guy just gives them to you.

MR. HAMEL: They're – they're going through my trash, and that's the same as, as my getting their mail. I've never asked anybody for anything [ca. 5 seconds inaudible] one guy commits suicide [ca. 8 seconds inaudible].

MR. BLACK: [inaudible] meeting an intermediary. He gets – he can get these legal documents and then he does it without you asking?

MR. HAMEL: Yep. [ca. 7 seconds inaudible]. He's getting them from someone who wants to know, who doesn't like what's going on.

MR. BLACK: If somebody legal is pissed at what's going on –

MR. HAMEL: Yeah.

MR. BLACK: They give it to him. [inaudible]. They give them to him and he gives 'em to you.

MR. HAMEL: [inaudible] the legal department.

_____: [inaudible; impossible to determine who is speaking]

MR. HAMEL: I don't think they're going to touch him. [inaudible]. That one I know [inaudible]. They do. [inaudible].

MR. BLACK: Does George know about that guy?

[ca. 9 seconds' pause]

MR. HAMEL: [ca. one second inaudible] I thought they committed perjury [ca. one second inaudible], but they don't think so because [inaudible]. I haven't done anything about it yet [inaudible]. The corrosion that everybody's talking about. [inaudible] from everybody's point of view. It just means disaster [inaudible]. Corrosion [inaudible].

[inaudible; impossible to determine who is speaking]

MR. HAMEL: [inaudible] Along the elevated portion of the pipeline, the saddle is holding you up, see, from the ground. Now you're getting out of alignment [inaudible] it's all going to shake together _____ the whole pipeline section [inaudible]. They've known about it for many years, instead of doing something, you and I would bring in experts, they were trying to do it themselves. [inaudible]. He's constantly asking about [inaudible] and about [inaudible]. Alyeska [inaudible]. Allegedly, what they're trying to do is trying to solve the problem _____. As to what they do is they put a _____ airbag under the pipeline. They blow it up, take off the [tension?]. Vertical supports have no rig around them _____. They disconnect the oil rig [inaudible]. _____ they leave the pipe up _____. [inaudible – something about Congressmen]. Now, they're uptight. They know they're in trouble. They know that I know about it. [inaudible] I used to know a guy [inaudible]. It's a small world [inaudible].

So when they were asked about it by George Miller – Now in my mail, [inaudible]. [inaudible]. They've got vertical support. They've got cylinders inside [inaudible]. [inaudible]. This liquid absorbs _ _____ [inaudible]. They've got hydrogen gas getting in [?] there, but

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been able to do what he did. And if it wasn't for the *Exxon Valdez* he'd still be working for asses from Alyeska. It's not a big deal except that what I like about this is the employees. Each one of them at every station is getting nothing but crap, I mean, emitted. So this one, there's only three stations, but so cut-and-dried and it's so absurd that they had it. And then I did another thing, a report that is coming in that has been sent to me and I think it's in my postal box because Ray said he sent it to me last week but I haven't got it yet. Anyway, he sent it to my postal box. He's got a report, an in-house report by Alyeska, everything I've complained about the vapor recurring and whatnot, he's got an in-house report of their own on a study that they've done way back when saying we can't do this, we can't do that, because of the emissions. If we do this, this, this and that, we won't have these emissions. And they said no. Just like this one. The hell with it. And this may be [inaudible].

MR. BLACK: And he's got it?

MR. HAMEL: Yeah, he sent it to me.

MR. BLACK: What about those boxes and boxes of in-house things that you have? Anything in there along these lines?

MR. HAMEL: No, my stuff, for example, identifies stuff, just like it identified the corrosion thing. My stuff, one thing that I've got that –

MR. BLACK: And you are still getting these. These people are still –

MR. HAMEL: Everything that I do, seven, eight a week.

MR. BLACK: Do we want to put those in the brain?

MR. HAMEL: The effort to put them in at this stage of the game, I mean, just to get them ready to put them in, uh, here's what I am up to.

MR. BLACK: I mean, bring the boxes over. We'll order them.

MR. HAMEL: Here's what I'm doing. You gave me the idea the other day. Candy [Kathy?] has been trying to kick me out of the office. And she's really been bad about it. But I have the house. But to be my neighbor, as soon as Exxon comes through, I move. As soon as I sell. Oh, I didn't tell you what happened to my little copy with Exxon. Had they settled me in July with x, well,

MR. BLACK: Congratulations.

MR. HAMEL: I was winning. I was only looking for a few million. But we'll see what happens. Worth double. My guy says my action is in just all

the computer rooms, everybody in the whole company get them all to sign it but it's never going to go down again; it's over with.

MR. BLACK: What I am saying is, if your game is to push a

MR. HAMEL: OK, I'll answer your question. I'm sorry. I am, across the house from my house, you saw that where that little, we're at the Chart House. Near the Chart House or my house is a big building there. And the ground floor has an operation that is like yours. I never bothered with the name. But my neighbor, I told her, so I asked her questions about the operation yesterday. And she said come on over. And it turns out that the corner office, which is, I wouldn't move nothing, I told Kathy that Howard wanted it upstairs. It turns out that the upstairs, I went and looked and I knew the people that had the upstairs. When the real estate company is doing bad, I can get an office there easy and whatnot. But the view, the bay windows are so high that you got to look out this way. And on the ground floor the windows are so low, you can see my house, you can see the park, you can see the water and the patio. And it's just, its all windows. You know that about the rain. And they're hurting. And the guy is moving out in two months. And they're renting the rest of the place, too. This is all guarded because Bush's son is in there; he's got an office there and the Secret Service is all over the place. They park in front of my house to guard it all the time.

MR. BLACK: Really?

MR. HAMEL: Yeah. But they park in front of my house. I woke them up one morning; the guys were both sleeping; they were supposed to be on awake and one sleeping but they were both sleeping. So I tap the door and say, "Hey, you guys. One of you has got to be awake here. If you get caught..." Anyway, my – I'm getting up as far as part of the day and I need a secretary. And I just, I had a secretary that I thought I'd never have a secretary again because she was so perfect for my deal. I don't want a gal around all day. I can't stand that. And I don't want her except when I need her. So, what I'm looking at is I've got to file; I've got so much to file. And I can't function. So I am going to hire a secretary part-time, take that office, and this is my walk-over with Muffin and they allow dogs. The lady has got a dog. And I walk over there and even my portable will work all the way over there. I can use my portable right there in that window because I go past there. And I'll take, not my sensitive stuff like my call telephone records because that _____ can find all my people that I am talking to. But everything else, I got all this stuff that you are talking about in boxes of it because when I had to move out of my other office in a hurry because the lady came back to the house, I just piled everything in and never looked at it. My notes, my trip notes, you name it. So, I've got to sit down.

MR. BLACK: Those things you have to transcribe, but hard copies of like some of the things you've showed me

MR. HAMEL: But it's all mixed.

MR. BLACK: -- when Ricki and I were up there. What I am saying to you is that I've learned more about the ins and outs of this stuff from you in four or five meetings than I could ever learn from books and what I'm offering to you is, if you want to use it, we'll plug in the disk whatever you or our guys. I've got this guy Vern and this other guy, I mean, they're working full-time and, you know, they're like, like your secretary. Sometimes they're off but I am still paying them. If you want to use them, bring the box, we'll do a box at a time. Whatever you want to use, we'll load it in there and give you the disk.

MR. HAMEL: OK, because then we'll do the, like, no one has what is called the *Insider*, the newspaper. And it's got data that is very useful and until I get it in there and pull it out, it's not going to be useful. They stopped putting '86 stuff in, ever since they knew I've been using it, but the old stuff I got from my '85. But what it also has is, each employee, when they get promoted, where they go and whatnot, and comes a problem, you start finding all that in there. Nobody keeps a record, has a record like that. So, it's just hard to, I talked to
Ken about it some time ago, but — it would be good practice for him because it's got good newspaper stuff and whatnot too. But we put that all in to start with. Then I have enough to stack. Then I have a bunch of their, I don't think I showed them to you, a bunch of their memos, their corporate exchange cables, they call them. Five, six pages of their corporate exchange.

MR. BLACK: You did show me some of those.

MR. HAMEL: And that, I got tons more in boxes, but those that I've spent time trying to go over, I've just put them in chronological order. Now, if you guys put that in, because I was going to have this girl do it too, is put those in. Where ReadWare happens to be useful is when there is maybe fourteen issues in the bi-weekly coax cable, something happened in -- the line, something happened here, a corrosion problem here, all that is in there. There's no way you can file that. And how do you cross-file something like that? Especially if you don't even know it, I know, I've read every page of those, so I know if I want to find something, if I had ReadWare I could find it. It paid for, like having them paid for themselves fifteen times over. When I was able to find for, just by playing a little with ReadWare, what I already put in the file system and asking the ReadWare, I

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everybody has that. It's spoken record, OK. So then we know that this went into drydock. I can walk into the Coast Guard. I got a Coast Guard guy way up there. Who will do all the things for me at Coast Guard, and I can go Coast Guard, San Francisco to where my guys get the record she went into drydock this day, in this drydock, OK. Then, and I know from crewmen, that they transferred to whatever tanker to go north. Now with that, that day, when I give you that. I expect your lawyers to say, OK we will understand this with you, Chuck. And we will make the case that that was so wrong according to, cause I know it's wrong, but your lawyers have to look at it and I can show 'em it's wrong. But, you know, they got to sit down and start, and say, yeah, your right, holy shit. We really got them by the ying yang. And Exxon's polluting its own, it's already peeing in this place, now it's taking a, I mean, crap in this place, now it's taking a little pee in the side. It's working its way back in. So that to me has a little pizzazz to it, because it's Exxon. OK. Now you're also going to find that, ah, I think your guys would agree that we can go to federal court here in town, in Washington, cause that's where they went to when I made this complaint. They went to the federal court. Never showed them all these articles. And I got that at home for you. But they, Alyeska and the TAPS owners went to federal court, to Johnson or Jackson wherever it was, said to them, hey, you now, — guarding this on those days I gave the EPA some documents belonging to Exxon, BP, Sohio, and ARCO in those documents. So they went and tried to get the judge to agree, under freedom of information, I couldn't be covered. EPA would have to give it to them. You know the whole story. They lost all that. But they established a venue as far as I am concerned. That court, on this subject. They picked it, not me. I thought I would have to go to Alaska to file suit. A lawyer said try here, but, so they went to this court here to save them some money, 'cause their guy is here in town.

MR. BLACK: Quinn O'Connell.

MR. HAMEL: Now, that's to me, I think we can go into that court, using the 60-day notice that's already there, Ecolit joining me together we go in and say, hey your Honor, we're asking for a stay of the issuance of this modification to change to get Alyeska off the hook. Simple. Not a big court suit, but, and the reason your Honor is this is an example of what's happening, and they're not doing it right, they're not, they're crooked the way they're doing the operation. When these two ships went up there, there was nothing in their log that shows that they got this crap. It's part of their ballast but it's not registered. So here, your Honor, here's the proof, we'll have proof, sir. I'll get somebody who's left those ships. Once we find out the dates and times, then we're gonna find out who's quit and not going back to Exxon.

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for you, they did days and days of this of how this is going, there is something wrong.

MR. BLACK: Nye is in Alaska or in Seattle?

MR. HAMEL: He's in the regional office in Seattle; head of air quality for all of the West Coast.

MR. BLACK: I'd love to meet him if he ever gets down here.

MR. HAMEL: He doesn't travel usually; he just was on vacation with his family and stayed at the house for a couple days. I mean, we're close. And he thinks that the government doesn't handle things right but, like I told you, you rock the boat, a lot of good it does, somebody else will be in your shop and will do less than you do about it, so just don't rock the boat. Stick with him. And it pays to be patient because those suckers, I can't wait to find out that they've been lying to him on this aspect. Now they may have told the truth to him in this aspect but it says very limited.

MR. BLACK: So the diagram you are going to get is a real diagram of the way it is today.

MR. HAMEL: Not only that but the guy who runs it is making it for me; he's been there for 14 years. Now running that plant. But the other thing, an operator operated the plant, but the other thing that is cute in this, also, is you'll find I've got my files of letters where I sent the ballast water, on the air quality, I sent all kinds of diagrams of the original Alyeska diagrams, these huge things, of the whole terminal. Air quality. Vapor recovery. Eighteen pounds. And I sent it to EPA with the understanding it had to self-destruct if the other side asks for it and whatnot and made a big deal about it, what, 18, 16 pounds or whatever, and I bought the Federal Express and sent it to them and I said to Ray Nye, now you can have this because Ray Nye is expert at going into the terminal but didn't know what to look for in the terminal. I says, you can have this, but I want you to give it to DEC, Bill MacClarence, when you are finished and then he'll give it back to me, because I wasn't going to photocopy this kind of monster stuff and all the documents that go with it, OK? This is the original construction stuff. So, he said fine. Every time I see MacClarence, MacClarence comes into my house, same thing. He comes down with his wife and spends time with us. I says, MacClarence, one day I says, when are you going to give me back my documents? And he says, what documents? So I give him the old stuff and he didn't know what I was talking about. I says the air quality diagrams and he gets this perplexed look. He knew he couldn't remember these damn documents. I figure, oh well. So I get up to your office which I do. And I'll find them there, we'll get

together and find it in your files, I want my stuff back. But don't worry about it. I ask him out there but not at lunch and not in his office or on the phone. I asked him maybe four times. And he couldn't remember. I want to get them sooner or later. I get to Boston and am having dinner in a restaurant and, like you, I call my answering service, "Anything going on?", and it's Thanksgiving, and Ray Nye called. So I called Ray, what's going on? He's checking on something funny. Remember those documents you need? I said yeah. He says Alyeska has them. Their security division got them from the police in Anchorage. And they never got to Bill MacClarence. We mailed them to them but they never got them. What the hell am I going to do about that? I don't know how they got them but this happens to me. So I'm funny about little things like this. When I, if we go with EPA route to the federal court here, one of the things I want to throw over there is that subject. Somehow, EPA to DEC documents that were important to them on this whole air quality thing that is so important to everybody disappear.

MR. BLACK: Who did you give them to at EPA?

MR. HAMEL: Ray Nye.

MR. BLACK: And Ray Nye was supposed to --

MR. HAMEL: Ray Nye gave them to Paul Boyce and that was understood, his assistant, who was going to the terminal to look at everything and Paul Boyce was supposed to, Paul Boyce said he sent it to and the reason that Ray Nye knew about it is Paul Boyce gets a phone call from the people at Alyeska, Security Division, asking him about the documents, you know, where the hell did you get them from? They got them now. And he was saying, "somewhere," and they got them. They wanted to know, I don't know what they were asking him, so he was perplexed and he goes to Ray Nye and Ray called me right away because he figured, oh my God, he didn't want me screaming, he wanted to be the first to tell me that somehow between EPA headquarters and DEC headquarters in Anchorage, by mail they disappeared. And Alyeska Security Division has the same people checking you out. So, I am not making a big issue of it.

MR. BLACK: Where did they get them?

MR. HAMEL: They said they got them in an abandoned car, in the trunk of an abandoned car that the Anchorage police found. But if the Anchorage police find it in an abandoned car trunk, somebody stole some mail or whatnot and that was probably with it. But if it's addressed to some EPA to DEC with a cover letter from Paul Boyce, then why would Anchorage police give it to Alyeska instead of DEC?

Because, I'm paranoid. Let me tell you what happens. Everybody in Valdez on the police force has an application at Alyeska because he makes $35,000 a year here;
if he works at Alyeska he not only gets $80,000 a year as a building guard as a guard at Alyeska, then you also get two weeks on and two weeks off; it's a hell of a way to live.

MR. BLACK: They make 80 as a guard.

MR. HAMEL: Well, the guards make less. They probably make sixty. But with the overtime and time on-time off and you go fishing and you fish, you know, fishing season up there, you go two weeks on and two weeks off, for two weeks he's like a commercial fisherman. You go out and go hunting and get your bear and your deer and all that stuff in the winter and you go shopping outside on your vacation outside and you go to Anchorage for, so anyway, let me tell you, every human being in Valdez, including the police chief, has an application at Alyeska. Every once in a while one of them gets a job. And once they get in the building guard system, then they have their application to go into an operator in a terminal. And a whole bunch of them moves from there, once they know they can trust you, they move you over here, and then you are in the eighty grand deal. Because an operator, all he does is watch this pipe go to that pipe and if you know more they don't want you there because that's the way the system works. But then they find them. So I have to see when we go, say, if your people wind up, then I've got a lawyer to do that part, says hey, judge, can we ask for a look in their trash? Incidentally, your honor, according to EPA, something else that we gave EPA that you said they can't have, the other side can't have, they didn't get it through you but they somehow got it and I don't know how. Well, why should I spend the money to find out how? My argument is why should I spend this money. It happened. It's a good story. And EPA will say, yeah, somehow between us and DEC these documents that Hamel gave us, 18 pounds of documents, are missing and Alyeska Security Division has them. And they say they got them from the Anchorage police. I don't care how. Let everybody else have the burden of figuring that one out. But that's the kind of thing the *Wall Street Journal* is sucking air for and they just say they want to run with that. And I said I'm not ready yet. I'm very funny about that. I don't want to give it to them when I don't have enough to make it a big deal. And now I can make it a bigger deal. This is the bit, it's the sovereign state of Alyeska. When you start understanding that, you start understanding how it works.
The *Wall Street Journal* talked about that a little on the side because of me I called them the sovereign state of Alyeska and they started calling it that way and they got [Denny Kelsler?] calling it that so they could write it in their article. Their article was supposed to be

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phone, the banks were -- were paying you [?] because you were getting overextended, because you've been doing this for eleven years.

MR. HAMEL: Oh, they're driving me nuts.

MR. BLACK: What I want to do, I want to give you a couple of thousand a month just to act as a consultant. And at the same time -- and it can be an off-the-books consultant. And at the same time, I want to be able to use some of those, the theory of those legal documents.

MR. HAMEL: The legal documents have nothing to do with that.

MR. BLACK: Okay.

MR. HAMEL: They're yours.

MR. BLACK: Okay.

MR. HAMEL: I had to make sure, you know, I wanted to know who the hell you were. And I also -- whatever you do with them, I don't want them to come back to haunt me.

MR. BLACK: Okay.

MR. HAMEL: The legal documents. The same person who got them to me is the person trying to find out for you. Who --

MR. BLACK: Who's looking at us.

MR. HAMEL: Who's looking at you --

MR. HAMEL: -- I know who's looking at you, but what they're finding out, or what -- or why -- well, I know why. They're just -- they ran across -- they ran across it in my mail, they hit you. If you show up twice, they want to know. But --

MR. BLACK: Those are dynamite documents. How in the hell --

MR. HAMEL: I know that.

MR. BLACK: How in the hell did this person that got them to you ever get them out of there?

MR. HAMEL: Well, that's why I'm nervous about where you're going to have them, because that's what life is all about.

MR. BLACK: They're in-house documents.

MR. HAMEL: They're in-house documents that came right out of Alyeska, is because somebody is pissed off. I got more people that are just pissed off that Alyeska does these things, just like this ship captain who – this guy is unbelievable. Why would he do what he did, telling me the stuff they're doing? I'll tell you what I hope to do with George Miller. George Miller is going to be a big friend of yours. And when you do send this stuff, I'd like to – whenever it's possible, you run it by Petrich, and let Miller look at it –

MR. BLACK: Those guys – those guys don't want to know about legal documents, internal legal documents.

MR. HAMEL: No, no. But they've been wanting to know, Petrich asked me for those a long time ago. I didn't give it to them.

But here's what's happening to Miller. Miller got – originally –

MR. BLACK: Does Miller know about it, or just Petrich?

MR. HAMEL: Just Petrich.

MR. BLACK: Okay. Good.

MR. HAMEL: Yeah.

MR. BLACK: Because your other – your other lawyer said he didn't ever want to see him. Because they're hotter than a firecracker.

MR. HAMEL: I can tell you that the Attorney General of Alaska knows about it. The attorneys – for the plaintiffs know about it. The Justice Department knows about it. Everybody knows I got them.

And, and, and – and they all sit in their room and say, "I can't look at them," but I can tell you, some of them have just kind of wanted to see what the heading was on each one of them, and they go, "Whoa." And I said that sooner or later, I would find a way for them to have the benefit, and I said, "I'll figure something out." Because there's no rush anyway. They're not there yet. And you may be the vehicle, I don't know.

MR. BLACK: Yeah. Yeah.

MR. HAMEL: So –

MR. BLACK: Well, see, in this form, once we put them in here, we're going to -- you know the way your own ReadWare works, it's going to be the form to extract the information. We're not going to have pictures of them after the first input. But my computer guy will explain that

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Nah. Okay. Well, sounds good. We'll see you in the morning, sir.

All right.

Uh-huh.

Huh.

Bye.

MR. HAMEL: [5 words inaudible] privileged attorney work product on here.

MR. BLACK: That doesn't make any difference. We'll scan it _____.

Yeah. Because we won't photo these. We'll -- that OCR stuff, we'll just get the data out.

MR. HAMEL: That part we'll be good at, just wipe it out.

MR. BLACK: Yeah. Yeah. Well, what they do, apparently, is that they circle these phrases, and they go after a phrase, or a way -- or a quote, like Alyeska statutes, and stuff.

Jesus. These are incredible. These came right out of [2 or 3 inaudible words].

MR. HAMEL: [5 inaudible words.]

MR. BLACK: That's great. These people are --

MR. HAMEL: Came out of their law department.

MR. BLACK: Oh, the law department. These people must really be pissed off that they gave you this stuff.

MR. HAMEL: Well --

MR. BLACK: Or I mean, interest in your cause, at least.

MR. HAMEL: No. They weren't interested in my cause. They've got, got their own thing. They hate the company and what the company does. Everybody who works for the company knows that they [inaudible] screw it up.

But that's why I'm telling you I want to start this little group of mine. [Inaudible]. They had nationwide -- they sent this document nationwide saying, our side of the story against Chuck Hamel. They called me to see if it was not true. And I said, "I'm saying, you be

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had a sixty-day notice in there so you didn't have to wait sixty days, what the hell is the difference – just give the sixty day notice and go to court, whatever, we are going to talk about later [inaudible] The experts could figure all of this out. All my time right now I want to spent on the crud going to Alaska.

MR. BLACK: I understand.

MR. HAMEL: Because it is very visible, very bad, and Exxon, again, is caught in the middle of this and it is front page.

MR. BLACK: Well, let's, as soon as we can, get some horsepower on that, put it in here and see what we have. At least we can use this and collate it.

MR. HAMEL: Well, this one is so simple, you just put the documents in the newspaper stories. You guys will have no trouble at all.

MR. BLACK: I mean, they have the backup on it, ah.

MR. HAMEL: What do you want, uh, How are you going to do the – the – this pile of crap that I got from – from the Legal Division of Alyeska?

MR. BLACK: We can zoom it right in there, same time, give you back the only copies.

MR. HAMEL: And who is the zoomer?

MR. BLACK: My computer guy, or me, or you.

MR. HAMEL: Okay, no problem. [inaudible] He'll have an ASCII file.

MR. BLACK: Yeah, I guess; you'll have to ask him that tomorrow. We will zoom it right in there, give you back the hardcopies, if you want, or we will put a lock on the file cabinet, whatever you want, whatever you think is safe.

MR. HAMEL: I want to take that – I want to make sure that each one got this, I cut the confidential lawyer-client thing off each one of them.

MR. BLACK: Okay.

MR. HAMEL: Each page got that kind of crap.

MR. BLACK: Yeah. Well, that's all right.

MR. HAMEL: [ca. 2 seconds inaudible] When you get it... that's [got to be?] taken off.

MR. BLACK: The point is you need the data. We are not going to take a photo of the thing like what you did. We are using the data. So the lawyer-client thing, if we don't OCR it, it is not going to --

MR. HAMEL: -- like cutting it off every page, [one second inaudible] then for me to give you something you shouldn't have, if I cut it off, you can have it.

Uh, and, uh, I don't know what else I've got of that legal stuff.

MR. BLACK: Well, we will put in the legal stuff, what about all your other stuff, want to use that?

MR. HAMEL: My other stuff is not in any kind of --

MR. BLACK: And this is for you, not for --

MR. HAMEL: [Inaudible] don't even worry about for me right now.

MR. BLACK: Okay.

MR. HAMEL: Right now -- My other stuff would be where the oil companies have been lying and cheating, well, I got something I don't know what to do with, that the [Mer?] wants and doesn't know what the, seem to do with it either. You have read and heard about the corrosion in the pipeline. It is a bad one.

MR. BLACK: You told me about that.

MR. HAMEL: Just that the state has filed suit and everything else and the Energy Department then goes all up in arms and I had the data on it, it has just been sitting in all my records, so what, but nobody cared until this *Valdez* incident. Well, ah, picture the pipeline, is belowground, most of the places in the permafrost and it is aboveground in probably about 400 miles of it. And all of these [little?] vertical supports, I think I have told you about the vertical supports that are holding it up. They had a problem with them for the first day. They think it is the Northern Lights somehow affects them. It is a gas in the vertical support holding the pipe, the pipe's on the saddle so it just slides back and forth, but it can't go up and down. So if there is an earthquake, it can move. You got the two vertical supports and everywhere the permafrost, you know, the permafrost is only 13 inches deep; in the summertime it melts 13 inches --

MR. BLACK: Yeah, yeah, I have heard.

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MR. HAMEL: [Inaudible 10 words]. I want to look with you if you ever want to . . . . My fear was -- I've been so hurt, and so much money has been spent against me for these proceedings [inaudible 5 words].

MR. BLACK: Oh, sure. I don't blame you.

MR. HAMEL: [Inaudible]. . . a lot cheaper but I'm not sure, yet, where it's at, because I just keep seeing myself. I can't make one mistake. They can make 50,000, and they're ahead, and [inaudible 4 words]. I make one mistake [inaudible], and I'm dead.

MR. BLACK: Yeah. I don't blame you.

MR. HAMEL: [Inaudible 2 words].

MR. BLACK: I don't blame you, especially those documents. Those are so powerful, you know. Attorney-client privilege documents are so powerful, you really have to be careful with those. And I don't blame you. I don't blame you for holding those close.

MR. HAMEL: The people in that case kind of look at it like their case has been blown.

MR. BLACK: I know.

MR. HAMEL: But I don't mind [inaudible].

MR. BLACK: Oh, no. What I want to do -- and that's why we'll go to the office, and maybe the -- maybe my computer guy can make some sense out of -- out of explaining to you what the hell it is he's doing with ReadWare, what he wants to do with ReadWare. He's plugging in that, and see if it works.

He's really sharp. He's a genius. He says that he may need to talk to you all, and --

MR. HAMEL: Oh, absolutely. Is he going to be here for a few days?

MR. BLACK: Yeah.

MR. HAMEL: You will leave on the weekend. He works every weekday.

MR. BLACK: Oh, I'm here during the week. You can come over and sit with him and understand it.

But anyway, that's why those things are so, so important to me, because you -- it's like -- it's like the quarterback, the quarterback that likes to throw to the left, the right, up the middle, they like to

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MR. JOHNSON: For the image. If we were to do an image mode....
MR. HAMEL: That image you have just let it go.

MR. JOHNSON: That is just going through, showing you ....

MR. HAMEL: Oh I see they image in two text. Okay

MR. JOHNSON: It just brings up an image and reads what it can read. It has an image where we can actually scan the document and and maintain its actual true form but that creates what we call Pift File [phonetic] and italic format, and essentially what that does is create a file that is a megabyte or more per sheet and that kind of stays on here right now

MR. BLACK: A megabyte per page.

MR. JOHNSON: Yes. One million bytes of information.

MR. BLACK: You know what that is...

MR. HAMEL: Yeah I know but I don't think that the Calera does that, the Calera keeps an image all the time. Ask Ken about this because the Calera what got us exited about the Calera when we asked the Justice Department people for a system, they were able to go to the image to get the handwriting and that kind of stuff at least see it and and know about it so if they wanted it they could sort of type it into the text. As I understood it anyway.

MR. JOHNSON: That doesn't mean we can't do this, it just simply means that the size of the files are restrictive at this point. We need to get a bigger drive for this thing so we can maintain. Some --

MR. HAMEL: Or you might get where it will take some what do call it-a-hookup

MR. BLACK: [inaudible]

MR. HAMEL: No, CUO is something is only in memory you can't deal with it.

MR. BLACK: A worm.

MR. HAMEL: A worm. A spider element. I'm out of my element. Ken... Ewell.

MR. BLACK: What we want to do, Vern, is I want to be able to recap these documents the thinking of the guy and they way the guy thinks to defend things. The confidential and all that other little superfluous document marks, I want to take off.

MR. HAMEL: For example down below I want to take off, I was just going to cut it out, but ...

MR. BLACK: Where it says privilege, work product.

MR. HAMEL: I'd like to take that out of each page in your system.

MR. BLACK: It's only on a few batches believe it or not.

MR. HAMEL: I took it off. Yeah

MR. BLACK: Oh you did. Okay, good.

MR. HAMEL: And I recopied some of it. Taking these from the beginning. No – okay – I – took it off.

MR. BLACK: No there aren't that many any more, huh.

MR. HAMEL: Look in the bottom line.

MR. BLACK: Sure.

MR. JOHNSON: Sure, we can get that out.

MR. HAMEL: Cut them out of each one. Then...

MR. BLACK: I think we should take out the document control notes too. You see those T numbers at the top. Those are peculiar to Word Processing and things.

[inaudible - noise]

MR. HAMEL: It's telling you that this spot is having trouble with that.

MR. JOHNSON: No, this is only representative of what it sees on the page. It does that so you get an idea of whether or not you have the darkness too dark or too light. Because if it is too dark sometimes it will overlap characters, like an "a" and and "e" will get attached together if it is too light and a "d" may come out as a "c" or "1". So it just gives you some kind of a representative sample.

MR. HAMEL: You can fax this to the system right down to where ever the record –

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Exhibit 31. August 30, 1990: Conclusion of meeting at Ecolit office
Prod. no.: Video, F2R400351; audio, F2R411072; orig. transcript, F2R411073-091; enhanced audio, F2R416180.
Continued from Exhibit 30.

[Transcript based on audio track from original video, as enhanced.]

[Side 1 of audiotape begins]

[MR. BLACK?]: OK, I'll _____ you some of that stuff so they can start practicing and we already have a lot of stuff in there already. I'm just getting what we already have. Hamel on the disk or something.

MR. BLACK: Let's make a master and we'll pop those discs and give him, the point is you've got at your place, you've got, you showed me on two or three floors, boxes and boxes of documents. Some might be general stuff that I have.

MR. HAMEL: I got, for example, the original plans of Alyeska's refinery. I mean, the whole pipeline. I have the original plans, some changes were made, it's not important to them, but this stuff just keeps coming in.

MR. BLACK: I'll tell you what is important. Internal memo included in the newspaper.

MR. HAMEL: The *Insider* has, well, it's an issue that you and I have to talk about.

MR. BLACK: But those internal memos like these, I'm telling you --

MR. HAMEL: I don't have that much of those.

MR. BLACK: Well, if you have any more of these, if you can get any more of these internal legal documents --

MR. HAMEL: I haven't gotten any lately.

MR. BLACK: These are incredible.

MR. HAMEL: That's why I was very low key about her finding out who Heckle [Heckel?] is. Because I wanted to ask her to see if she could get another round of the stuff. I'm very slow about these things. You have to be casual about it or else you get too anxious and --

MR. BLACK: You think she can get some more of these?

MR. HAMEL: I don't know. It all depends on the person. If she feels like giving

out any more – People run up and down like a yo-yo over there too, you know. If you live in Alaska, [inaudible] say that happened, the gal was pissed, or the guy, I don't know who it is, whoever it is, is pissed and wanted to know, and bad weather and whatnot, if you live in Alaska, the weather can be bad, it gets cold and they already got snow dustings. That means you're sitting in Anchorage now and you see the snow coming down already. It doesn't hit the town, it doesn't hit you because you get rain, but you see the hillside and it's all snow. Uh, and Valdez just got rid of the snow a month and a half ago and now they have the dusting again. So people get – you really have to go just by luck. They get pissed off again; for example, Exxon is trying to say that they are not responsible for that shipping company. As soon as she calls me again and she talks about Ecolit and whatnot, say incidentally –

MR. BLACK: Would you ask her what she thinks about Exxon's pleadings, about they have no relationship?

MR. HAMEL: That's how things happen. Pick up the phone you know, yeah, I've got some more for you, baby. One thing that may be, I am waiting for Miller, what to do about it. He was busy on other stuff and now he's so busy. I've checked the schedule and he's got two hearings coming up in September for child abuse, child care and that kind of stuff, and some, like a _____ forest-type thing somewhere. I don't know where it is but anyway, ah, like the Redwood Forest or something. So he's got two hearings in September and they're only going to be in for a month, and he's got to be campaigning, ah, he's not about to handle this other stuff very heavily that I had for him, I don't think, he may. What it is, an editorial [?] about 'em, the vertical supports, ah, that hold the pipeline up, ah, I had it set up as an *Outsider* thing and we're going to point out to the people the testimony and how they lied. He lied on their behalf, they're gone. What do they think? But what I had in mind, but it may be that, ah, it's a legal thing involved here. And here's why, you got the underground, four hundred miles of pipeline is underground, four hundred miles is aboveground, hey, and this was a national big issue. That the underground was corroded. And where it was corroded is fifty-cent pieces, how big the corrosions are, but it's still bad. Fifty-cent means they're gonna pressure him anew, and, ah, it corroded small dimes and quarters all over the place, but the bad ones were a couple of fifty-cents pieces. It's a big issue. And it's gonna be several billion dollars to dig all that crap up and fix it, and I gave that out way back when, the corrosion thing, to Miller, Patty up at *L.A. Times*. The *L.A. Times* is very interested in this thing, but they don't understand it. I haven't given them any more because I don't want to go any further 'cause Miller was handling it, and Miller didn't have time for his hearings, and didn't handle it right. But he did at least ask about it and he got, he was afraid I was wrong when I said we have no problem. The vertical supports, we don't have a

corrosion problem _____. Petrich says it takes [flash?] and he panics, didn't hit it for awhile and that's why I was sitting behind laughing at him, what are they gonna say? They lied. Under oath. "We don't have corrosion." And I'd known for years that they had. Now I figured semantics, I can move toward Canada, and told Petrich, _____ smart-asses, they gonna find these British semantically wasn't corrosion was something else, ah, and this is where they _____ hydrogen gas leaking in and screwed the system up. When he went home, two weeks later, and the *Insider*, first of all, the following week was a nice story in the *Insider* about them testifying and everybody thought everyone's fine, things aren't so bad after all. No big deal. Perfect hearing. And then two weeks later, *Insider* says, oh, guess what. We're having a problem with the vertical support on this and the Battelle Lab has studied it and they think they found a solution to it. It's a corrosion problem, corrosion problem. Battelle Lab has been on it for six months. It started after the *Exxon Valdez* and that was the corrosion problem on the underground that they were working on. So Patti Epler of the *Daily News* asked the head of the pipeline, on two occasions, sort of casually, while they were talking about this subject. Where he said it was only 400 spots and I told them it was 800. So she kept needling 'em. She told 'em she had a source that had 800, and he said well actually, yeah, but we haven't finalized the report on that yet. What does he know? So while she was at it she says: "What about the newer problem? How about vertical support?" No problem. Vertical support on this next time. No problem. Hell, but things are sinking. A fifty-cent piece breaks free, you're going to have a problem. But the vertical support is the integrity of that, if this is down six inches here and it stays that the correct place here, you got incredible stresses. And you have those earthquakes which they have up there, that thing will pop open, pour around there quick, OK. And they put this, the turbines for natural gas liquids either, there's a lot of reasons why this is a bad number. Now if you are looking straight down at the pipeline, here's the vertical supports and here's the saddle it's on, it's the pipeline, and it's just free moving. It could go this way or this way.

MR. BLACK: Um hm.

MR. HAMEL: Just from an earthquake, anything. But it can't go up and down. Well, if it can't go up and down, and you've got a situation where stress is developing because they're all dropping by inches, then you've got a bad problem. It turns out to give this report, about Battelle Lab, because they lied to Congress; they're about ready to get clobbered with it, they better get their people ready for it. They've done it every time I've come in from behind on them, I'd always read in the *Insider*, they'd cover their ass. So, I said, well, they've covered their ass, they must know that Battelle Lab. Lab's suggestion is going to work on this hydrogen gas that migrates out,

that they've learned how to cope with it. So I started treading water. Because they got rid of me on the subject. Because I don't have a source better than what I've got. My source says they are still waiting on the Battelle Lab, but if Battelle Lab thinks it's got answers to it, by the time it trickles to my guys, I have to live with it, so I didn't press Miller any more because I don't want him to go forward. I got enough things to do and I didn't want him to fight and then, sure it was a bad deal, but like you said, I didn't want to catch him today. So there's a bad deal, but we solved it. Well, it's not the same thing, then Miller's harping on something too much; too bad, they lied, they kept it quiet, but, you know, too late. Well, I found out last week that the Battelle Lab didn't succeed. And it's not working. And they don't have an answer. And they're going to have to replace all these suckers. It's like eight hundred million dollars. At the time here. But when they replace it, it's with the same old stuff. It ain't nothing new, they don't know how to solve the problem. They're even saying they think it's the Northern Lights that's causing it.

MR. BLACK: Northern Lights causing the gas?

MR. HAMEL: Causing the gas to migrate through metal. I don't understand how, but it is happening. This is, this is a sealed deal and hydrogen gas, somehow, from the atmosphere is migrating inside this tube and it gets into the, into the, what do you call it up here? The vanes up here and takes up the space of the liquid turned into gas that comes up here to be cooled. So it doesn't make it, doesn't get cooled and the, and the thing sinks.

MR. BLACK: The heat, it allows it to heat?

MR. HAMEL: Well you see --

MR. BLACK: Melts the permafrost.

MR. HAMEL: This is on a shoe down here inside the permafrost. Permafrost is 13 inches deep downward and icy here, and as, as the sun shines, which it does. It was 90-some degrees in Fairbanks the other day. The sun shines on this pipe and heats it up, and as the heat goes down the pipe, this liquid down here absorbs that heat and vaporizes and it goes to the top of the vanes, the radiators up there, ah, even though the sun is shining on it, the cool air in Alaska cools it off and it drops back down again. So it's just the heat. Now, what's happening is, hydrogen gas is migrating in. They don't know how. And it takes up that space. Now, I agree it's not their fault. It's happening. They never dreamed it would happen or they wouldn't have had the system. But the point is, many years ago I started monitoring this. This is a mental thing over here. It's not in the paper. I never even wrote it down. Many years ago. But I should

have been putting all this stuff in my computer, but I get my phone calls at 2 o'clock in the morning. I lay in bed and I hear, and I got a good memory.

MR. BLACK: But, if you're still getting phone calls you got to --

MR. HAMEL: But now I go up, I started it over a year ago. I go up and just put it, I have a memo pad in my computer.

MR. BLACK: Dictate it or something.

MR. HAMEL: Yeah. I just go up there and as they talk to me, I type it in. All of 'em think I record them. I never record, I just don't do it. And then one guy said, then why don't you record her when you talk to her the next time? And I said I just can't do that.

MR. BLACK: Why not?

MR. HAMEL: Just. Just not my style. Sorry, I don't want people to ever say, well, didn't you record me? Sometimes I did. Didn't you record me? I said I don't do that.

MR. BLACK: Well, gees, you should.

MR. HAMEL: Well, I don't.

MR. BLACK: It's just as good to take notes.

MR. HAMEL: Well for some people recording would be great, but then I just, I don't think I would like to be volunteering stuff to somebody and they record me, even though I don't mind on certain issue here the details, but on every conversation and everything, I just don't.

MR. BLACK: Yeah.

MR. HAMEL: I have a machine. I recorded my ex-wife. That I did do when I had divorce problems way the hell back. I had a machine, I would press the button, and record her anytime I wanted. But I never recorded anybody since then. I just can't. So, but I, you know, sometimes I do have the recorder, and I am trying to think who I was working with. That was business in my offices in Anchorage where we dictate stuff back and forth. My French guy in France. When he calls in and sends me some stuff. Some time we agree I'll record it and I can hear it. My French is good, but not that good.

MR. BLACK: Well, if you got somebody to type it, that's great.

MR. HAMEL: It's not the typing part. It's just not my style to record somebody and use it [?] later on or something. So here's what is important

here, I think. Ah, 5 years it's been since I heard about it. And just figure 5 years ago when they were making a billion dollars a year, and I heard the local idiot engineers of Alyeska were trying to solve this problem. I and I couldn't believe it, and I kept monitoring it. That they're still trying to solve this problem. You and I would have hired every company in the world because a million dollars here, they never, it's secret. They didn't want anybody to know about it and the guy that's feeding me is right up to here on it.

MR. BLACK: Could we get those reports? Where they talk about that internally?

MR. HAMEL: I don't have it.

MR. BLACK: Ok.

MR. HAMEL: That stuff is up in Anchorage. See, because of me now they have, ah, video on every file cabinet.

MR. BLACK: No?

MR. HAMEL: Oh yeah. Valdez, when they put it in I was a pretty proud peacock on that one. Because of me there's a building guard in Valdez. His job is to watch the videos of the file cabinets the minute the office closes every day. Before he'd come I had people I know in the file cabinets photocopying. Again, to show you an idea of what you're dealing with. The building, the building guards at Valdez --

MR. BLACK: You have enough people that they're photocopying the file cabinets for you? What's in the file cabinets?

MR. HAMEL: Way back when. You can't any more. What they couldn't pick out that they thought was interesting.

MR. BLACK: Well, they work out of the file cabinets, right?

MR. HAMEL: No. I had some one who worked on the file cabinets. I never asked her. She offered, I wouldn't do it. I mean, God, she worked in, it's her file cabinet. I've never gotten anything from her I didn't want. And we don't even talk to each other any more. I don't want to talk to anybody. When I can't control what happens to the people when they lose their job, this, widow, not a widow but a divorced gal with a couple of kids, I mean, I don't want anything from that woman, ever. I mean, it's her file cabinets. But I had something else going in her file cabinet. In the evening, it's the nighttime, I had a real deal going where I never asked them to be there, I started getting this incredible stuff. I said, how the hell are you getting it? I said, have you lost your mind? Look, I know what I'm doing. Have you lost your mind? I know what I'm doing. I can handle it.

MR. BLACK: About this stuff?

MR. HAMEL: No. That party was just going into the files and finding anything funny and that's where I got the data that the federal court judge had ruled on. It was that kind of stuff. This person was going into the old files, this is interesting, I'll bet Chuck would -- well, for every page of good stuff I got fifteen pages of worthless stuff. But it was so unbelievable in that this stuff, at the time, that's why they went to the federal court to try to get it from me, and that person's gone and people who worked there during the daytime, one of them was available. I just wouldn't do it. What I can't control, I don't want. I don't want somebody's life, not their life, 'cause you would get hurt, but you know, lose their job, and I haven't got the wherewithal to start taking care of somebody. For what? First of all, I wouldn't ask somebody to do that. Uh, but what they -- everything I get is because everybody so far has approached me. And that's -- now I'm getting more of it than I can handle. But they have this, they know about me through word of mouth, everybody's joking about who is, you must be his source, you must be his source, and they are all saying, no, he's got sources way up on top with the stuff he comes out with. But everybody laughs about it.

MR. BLACK: And that drives them crazy.

MR. HAMEL: Oh, it drives them nuts. But, on this one though, Wayne, look at this, it's unheard of that anybody would do this kind of thing, their own engineers futz around and I've been watching all that time. Now I got shortchanged recently when I thought that they'd solved it, and I said, well, I've delayed with it and too bad. But now I've found out a couple weeks ago that Battelle doesn't have the answer to it, too. Meanwhile, Petrich's traveling, Miller's traveling, I don't know what to do with them either, but they've committed perjury on it. I'm, uh, I think what I got to do on that one is do a memo just like I've done on this one here for you. And give you the testimony.

MR. BLACK: OK.

MR. HAMEL: See, I've earmarked testimony where I had them ask a question. It's only a couple of pages. And they flat-out lied. And if you see their own material afterwards, where they tell their own people they've got a corrosion problem, but they've got it solved, and now I'm telling you they don't, uh, then what can I do about it? Miller can, see, Miller normally would look at that and say, what, commit a perjury, sign it over to Justice, and I don't have to tell you what Justice does. But since there's a pollution problem, if that thing pops, you know, we got real problems, the pipeline. Everybody's

**REPORT OF INVESTIGATION**
**SPECIAL INVESTIGATIONS DIVISION**

**TO:** PAT WELLINGTON

**FROM:** WAYNE B. BLACK

**DATE:** MAY 18, 1990

**RE:** FACSIMILE RECEIVED FROM CHARLES HAMEL
DATED MAY 17, 1990

---

Reference is made to the attached facsimile transmittal from Hamel, dated May 17, 1990. This was Thursday, the day after we returned from Washington. One part of the facsimile is a handwritten note to Wayne Jenkins from Hamel regarding John Foxx (Rick Lund) loaning Hamel $40. Apparently, Hamel returned $20 and kept $20 by mistake. The second portion of the facsimile transmission is with regard to the Exxon, Valdez and a paragraph on Hamel being aware that someone had taken his garbage.

Following the fax, I spoke with Hamel and he indicated that the night before at approximate 11:00 or 12:00 he put bags of garbage out. The only bag that was missing when he walked his dog at 6:00 a.m. was tree clippings. He asked me what I thought. I indicated to him that he should watch to see who was taking his garbage. He told me that he would try to video the theft of his garbage the next time from a van parked across the street.

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Hamel told me that he wasn't surprised since he was reading their mail and having their documents stolen they could at least try to get his garbage.

He indicated to me that he felt badly because one of his sources had been using his own (his sources) stationery and that the envelopes were engraved. See earlier memo proving this where we observed engraved letterhead from Scott. See also report following from the collection of the trash wherein Scott's envelope was actually found.

The trash cover on Hamel's location is ours. We will not discontinue the trash cover as a result of Hamel's overture to us.

WBB:jl
427.ee

Encls.

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## X. DISCUSSION OF DUTY TO DISCLOSE AND REPORTING REQUIREMENTS ATTENDING THE OWNERS' KNOWLEDGE OF IMPROPER CONDUCT BETWEEN HAMEL AND CONGRESSMAN MILLER

### A. Facts

On the audio and video tapes, Hamel spoke of ties between Congressman Miller and himself. Hamel has financed social activities for Miller and his subcommittee which include social gatherings, dining out and fishing trips. Alyeska officers and the Owners know of Hamel's expenditures on Miller.

### B. Applicable Law

Under federal law, various statutes treat wire interception, bribery, corruption, conspiracy, lobbying, civil service, and ethics in government. Some of these statutes impose reporting requirements on government employees and persons directly involved with government employees. However, none imposes a duty to disclose upon non-participating third parties. No statute specifically requires the Owners to report suspicions or knowledge of unlawful activity.



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1. Omnibus Crime Control and Safe Streets Act of 1968, 18 U.S.C.S. §§ 2510 et seq.

The Omnibus Crime Control and Safe Streets Act of 1968 restricts wire interception and disclosure of oral communications. The Omnibus Crime Control Act makes it unlawful to intercept, reveal the existence of, and disclose or divulge the contents of, wire or oral communications, unless the intercepter has previously obtained an order of a court permitting a wire tap or other interception of the communication, or one party has consented to the interception. 18 U.S.C.S. § 2511 and 47 U.S.C.S. § 605.

The principal basis for restricting wiretaps, eavesdropping and subsequent disclosure of private communications is the Fourth Amendment to the Constitution of the United States. A wiretap of a conversation over a telephone, or electronic listening device which enables others to overhear oral statements which the speaker intends to be private, constitutes a "search and seizure" of a "thing" under the amendment. Katz v. United States, 389 U.S. 347, 19 L. Ed.2d 576,



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88 S. Ct. 507 (1967); People v. Green, 63 Misc.2d 435, 312 N.Y.S.2d 290 (1970).

A party to a wire or oral communication, may consent that the other party hear, record, or divulge the communication, and thus render the interception of the communication lawful. The Omnibus Crime Control Act provides that:

> "It shall not be unlawful. . .for a person not acting under color of law to intercept a wire or oral communication where such person is a party to the communication or where one of the parties to the communication has given prior consent to such interception unless such communication is intercepted for the purpose of committing any criminal or tortious act in violation of the Constitution or laws of the United States or of any State or for the purpose of committing any other injurious act."

18 U.S.C.S. § 2511(2)(d).

With one party consent, the interception is statutorily authorized and disclosure is permissible.

Under the Omnibus Crime Control Act, Section 2517 defines permissible disclosure of intercepted wire



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or oral communications in judicial proceedings. Section 2517(3) states:

> "Any person who has received, by any means authorized by this chapter [18 U.S.C.S. §§ 2510 et seq.], any information concerning a wire or oral communication, or evidence derived therefrom intercepted in accordance with the provisions of this chapter . . . may disclose the contents of that communication or such derivative evidence while giving testimony under oath or affirmation in any proceeding held under the authority of the United States or any State or political subdivision thereof."

18 U.S.C.S. § 2517(3).

Once it has been determined that the interception was lawful, public disclosure of interceptions received in evidence at the hearing is lawful under 18 U.S.C.S. § 2517. United States v. Dorfman, 550 F. Supp. 877, 881 n.5 (N.D. Ill. 1982). Section 2517(3) neither authorizes nor forbids disclosure of the contents of a tape recording to a grand jury by a witness familiar with the contents. Re Vigorito, 368 F. Supp. 613 (D.C.N.Y. 1974), rev'd on other grounds, 499 F.2d 1351 (N.Y. 1974), cert. denied, 419 U.S. 1056, 42 L. Ed.2d 654, 95 S. Ct. 640 (1974).



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Most likely, a court would subject video recordings to the same standards applied to wire interceptions. Although the wire interception statutes do not apply by their terms to the government's use of concealed video recording equipment, an order authorizing video surveillance which meets wire interception requirements also meets requirements of the Fourth Amendment. United States v. Ianniello, 621 F. Supp. 1455 (S.D.N.Y. 1985), aff'd, 808 F.2d 184 (N.Y. 1986), cert. denied, 483 U.S. 1006, 97 L. Ed.2d 736, 107 S. Ct. 3229 (1987). Under the one party consent rule, the videotaping is most likely lawful and disclosure permissible, though not required.

Intercepting Hamel's conversations was statutorily authorized under the one party consent rule. Therefore, the Omnibus Crime Control Act of 1968 does not prohibit disclosure of the communication. The Owners may disclose the information but the statute does not require the Owners to do so.

2. Bribery of Public Officials, 18 U.S.C.S. §§ 201 et. seq.



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Under 18 U.S.C.S. §§ 201 et seq., federal rules prohibit bribery of public officials, graft and conflicts of interest. Section 201 explains bribery of a public official as:

> "Whoever, directly or indirectly, corruptly gives, offers or promises anything of value to any public official or person who has been selected to be a public official, who offers or promises any public official or any person who has been selected to be a public official to give anything of value to any other person or entity, with intent -- (1) to influence any official act; or . . . (3) to induce such public official or such person who has been selected to be a public official to do or admit to do any act in violation of his lawful duty . . . ."

18 U.S.C.S. § 201.

Under Section 201, Hamel's activities may amount to bribery. A note subsequent to Section 201 provides standards of ethical conduct for government officers and employees. These standards require government officers and employees to report any kind of bribe received. The standards place no such reporting requirements on non-government employees, such as the Owners.



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3. The Travel Act, 18 U.S.C.S. §§ 1952 et seq.

Under the Travel Act, federal rules prohibit racketeering. 18 U.S.C.S. §§ 1951 et seq. Under Section 1952(a), the Travel Act provides that "whoever travels in interstate commerce or uses any facility in interstate commerce, including the mail, with intent to distribute the proceeds of any unlawful activity or otherwise promote, manage, establish, carry on or facilitate the promotion, management, establishment or carrying on of any unlawful activity" shall be fined or imprisoned. As used in this section, "unlawful activity" means extortion, bribery, or arson in violation of the laws of the state in which committed or of the United States. 18 U.S.C.S. § 1952(b).

Bribery in violation of 18 U.S.C.S. § 1952 need not be connected with a criminal business enterprise. Defendants charged with bribery need not be connected with, nor bribery committed in aid of, a racketeering enterprise, to violate Section 1952. United States v. Deardorff, 343 F. Supp. 1033 (D.C.N.Y. 1971).



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If Hamel and Miller are charged with violating the Travel Act, the Owners face a remote risk of being charged with aiding and abetting. Knowledge of Hamel's activities, if they amount to bribery, may support an aiding and abetting charge. One federal court has held that in the absence of proof of knowledge of Travel Act violations, defendant could not be held for aiding and abetting another in violation thereof. United States v. Prince, 529 F.2d 1108 (Ohio Ct. App. 1976), cert. denied, 429 U.S. 838, 50 L. Ed.2d 105, 97 S. Ct. 108 (1976). Given the unlikely occurrence of these charges, the Owners probably need not disclose information of Hamel's activities.

4. Racketeering Influenced and Corrupt Organizations, 18 U.S.C.S. §§ 1961 et seq.

Under 18 U.S.C.S. §§ 1961 et seq., the RICO statutes do not impose a disclosure requirement upon the Owners.

5. Conspiracy to Commit Bribery in Violation of 2 U.S.C.S. §§ 201 et seq. or 18 U.S.C.S. §§ 1952 et seq.



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There may be a conspiracy between two or more persons to receive or ask for a bribe. Wilson v. United States, 230 F.2d 521 (S.C. Ct. App. 1956), cert. denied, 351 U.S. 931, 100 L. Ed. 1460, 76 S. Ct. 789 (1956). This is true even though one of the parties could not by reason of his status, commit the substantive offense of accepting a bribe. Id. Furthermore, there may be a conspiracy involving two or more persons to offer a bribe. People v. Phillips, 76 Cal. App. 2d 515, 173 P.2d 392 (1946).

In these situations, the conspiracy is deemed a distinct offense from the substantive crime of bribery itself. People v. Johnston, 328 Mich. 213, 43 N.W.2d 334 (1950). A defendant may be charged with the crime of bribery and also with the conspiracy to commit bribery. Wilson, 230 F.2d 521. However, where the agreement is between the party offering or giving a bribe and the party soliciting or receiving a bribe, it has been held that the transaction constitutes only the crime of bribery and that a valid conspiracy charge cannot be based on such an agreement. United States v. Sager, 49 F.2d 725 (N.Y. 1931); United States v.



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Dietrich, 126 F. 664 (Neb. 1904); People v. Wettengel, 98 Colo. 193, 58 P.2d 279 (1935).

A criminal conspiracy is an agreement between two or more persons to accomplish together a criminal or unlawful act, or to achieve by criminal or unlawful means an act not in itself criminal or unlawful, accompanied by an overt act in furtherance of the agreement, in those jurisdictions which require an overt act. United States v. Wiesner, 216 F.2d 739 (N.Y. 1954).

A criminal or corrupt intent is essential to the crime of conspiracy. The specific intent required for the crime of conspiracy is the intent to advance or further the unlawful object of the conspiracy. Unless the required criminal intent exists in the minds of at least two parties to the alleged conspiracy there can be no conspiracy. Direct Sales Co. v. United States, 319 U.S. 703, 87 L. Ed. 1674, 63 S. Ct. 1265 (1942). Where the goal of a conspiracy can be reached only through deception and concealment, silence which is designed to conceal may indicate an intention to conspire. United States v. Eucker, 532 F.2d 249 (N.Y. 1976).



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Under the Travel Act, the Owners could not be accused of conspiracy because they lack the requisite criminal intent. Proof of conspiracy to violate 18 U.S.C.S. § 1952 requires at least a degree of criminal intent necessary for the substantive offenses. United States v. Chase, 372 F.2d 453 (Va. Ct. App. 1967), cert. denied, 387 U.S. 907, 18 L. Ed.2d 626, 87 S. Ct. 1688 (1967).

The Owners lack the requisite intent and have performed no overt steps necessary for liability under a conspiracy charge. Knowledge of Hamel's activities would not by itself impose liability. Probably the Owners' silence would not be interpreted as an intention to conspire because Hamel's objectives are adverse to the Owners' interests. The conspiracy statutes do not require the Owners to disclose Hamel's activities.

6. Federal Regulation of Lobbying Act, 2 U.S.C.S. §§ 261-270.

The Federal Regulation of Lobbying Act requires persons engaged in lobbying to keep detailed



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accounts of contributions, to report detailed information as to the source of such contributions to the Clerk of the House of Representatives, and to register with the Secretary of the Senate and the Clerk of the House. 2 U.S.C.S. §§ 262, 264, 267.

The Federal Regulation of Lobbying Act expressly applies to

> "any person . . . who by himself, or through an agent or employee or other persons, . . . directly or indirectly, solicits, collects, or receives money or any other thing of value to be used principally to aid, or the principal purpose of which person is to aid, in the accomplishment of any of the following purposes: (a) The passage or defeat of any legislation by the Congress of the United States; (b) To influence, directly or indirectly, the passage or defeat of any legislation by the Congress of the United States."

2 U.S.C.S. § 266. To come within the scope of the Federal Regulation of Lobbying Act, a "person" must meet three prerequisites: (1) he must have solicited, collected, or received contributions; (2) such contributions must have a purpose to influence the passage or defeat of legislation by Congress; (3) the intended method of accomplishing this purpose must have been through direct communication with members of Congress. 2 U.S.C.S. § 266. Unless a person falls



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within the category established by the section, the disclosure requirements are inapplicable.

The Supreme Court narrowly construed lobbying activities under the Act when it held that the term "lobbying activities" covers representations made directly to Congress or its committees, but does not include all other activities of one intending to influence legislation, such as attempts to influence the thinking of the community. United States v. Rumely, 345 U.S. 41, 97 L. Ed. 770, 73 S. Ct. 543 (1952).

The legislative history of the act indicates that the term "principal" was adopted merely to exclude from the scope of the section those contributions and persons having only an "incidental" purpose of influencing legislation. United States v. Harriss, 347 U.S. 612, 98 L. Ed. 989, 74 S. Ct. 808 (1953). Conversely, the "principal purpose" requirement includes a contribution to influence legislation through direct communications either with Congress or a person whose activities in substantial part are directed to influencing legislation through direct communication with Congress. Id.



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Statutes similar to the Federal Regulation of Lobbying Act have been adopted in more than half of the states. Such statutes generally require legislative agents to register and to make periodic reports.

If Hamel qualifies and is registered as a lobbyist, the Federal Regulation of Lobbying Act requires him to report all contributions made to public officials and committees. The Act does not require non-lobbyists, such as the Owners, to report a lobbyist's activities. Neither does the Act require the Owners to report that Hamel, although not a registered lobbyist, is lobbying Congressman Miller.

7. Federal Election Campaign Act of 1971, 2 U.S.C.S. §§ 431 et seq.

The Federal Election Campaign Act imposes some reporting requirements on government employees and contributors to candidates. Under 2 U.S.C.S. § 432, federal rules require of political committees:

> It shall be the duty of the treasurer of a political committee to keep a detailed and exact account of --



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> (1) all contributions made to or for such committee;
> (2) identification of every person making a contribution in excess of $50, and the date and amount thereof and, if a person's contributions aggregate more than $100, the account shall include occupation, and the principal place of business (if any);
> (3) all expenditures made by or on behalf of such committee; and
> (4) identification of every person to whom any expenditure is made, the date and amount thereof and the name and address of, and office sought by, each candidate on whose behalf such expenditure was made.

2 U.S.C.S. § 432(c). Section 434(b) requires similar reports by candidates receiving contributions.

Further, Section 434(e) requires the contributor to report expenditures and contributions. Section 434(e) states that:

> "Every person (other than a political committee or candidate) who makes contributions or independent expenditures expressly advocating the election or defeat or a clearly identified candidate other than by a contribution to a political committee or candidate, in an aggregate amount in excess of $100 during a calendar year shall file with the Commission, on a form prepared by the Commission, a statement containing the information required of a person who makes a contribution in excess of $100 . . . and the information required of a candidate or political committee receiving such a contribution."



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2 U.S.C.S. § 434(e).

Section 441(a)(8) requires detailed reporting by a conduit who makes contributions on behalf of a person for a candidate. The intermediary or conduit must report the original source and the intended recipient of such contribution to the commission and the intended recipient. 2 U.S.C.S. 441(a)(8).

Thus, the Federal Election Campaign Act requires (1) committee treasurers, (2) candidates, (3) contributors and (4) conduits of contributors to report expenditures and contributions. The Act does not similarly require reports by non-participants, such as the Owners, who may be aware of such expenditures.

8. Money and Finance Appropriations Under 31 U.S.C.S. §§ 1341 et seq.

Federal statutes have been enacted to insure that public funds are only used for authorized purposes. Thus, federal officers and employees are forbidden to accept voluntary services for the government or to employ personal services exceeding that authorized by law. 31 U.S.C.S. § 1342. Violation



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of 31 U.S.C.S. § 1342 may result in administrative discipline or a criminal penalty. 31 U.S.C.S. §§ 1349(a) and 1350.

Section 1351 states that if an officer or employee of an executive agency violates Section 1342, the head of the agency shall report immediately to the President and Congress all relevant facts and a statement of actions taken. Therefore, if Congressman Miller has employed or accepted voluntary services from Hamel, he must report such activity to the Congress or the President. Also, if the Environmental Protection Agency ("EPA") has employed or accepted voluntary services from Hamel, the head of the EPA must similarly report. However, the federal rules do not require the Owners to so report.

9. Ethics in Government Act, 5 U.S.C.S. §§ 201 et seq.

Congress has enacted a Code of Ethics for Government Service and an Ethics in Government Act. The former requires disclosure of corruption within government and the latter requires financial



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disclosure. Both codes impose these reporting requirements on persons in government service only.

A Code of Ethics for Government Service was agreed to by the House of Representatives and the Senate as House Concurrent Resolution 175 in the second session of the 85th Congress. The Code applies to all government employees. The Code provides that "any person in government service . . . should expose corruption wherever discovered."

In the wake of scandals in the Federal Government in the 1970's, Congress enacted various laws requiring financial disclosure on the part of executive, legislative, and judicial personnel, and established an Office of Government Ethics. 5 U.S.C.S. §§ 201, 301, 401, 701. These laws are commonly known as the Ethics in Government Act.

The statutory schemes concerning financial disclosure by the personnel of the three branches of government are similar. The, statutes detail which persons are required to file financial reports, the information which must be provided in the reports, the requirements for filing the reports, and custody of,



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and public access to, the reports. 5 U.S.C.S. §§ 201, 202, 203, 205.

The statutes relating to financial disclosure requirements of legislative personnel also contain review and compliance procedures. 2 U.S.C.S. § 705. A statute provides that the federal laws relating to financial disclosure by legislative personnel supersede and preempt any state or local law with respect to financial disclosure by reason of holding the office of member or candidacy for federal office of employment by the Federal Government. 2 U.S.C.S. 708.

The Attorney General may bring a civil action in any appropriate United States District Court against any individual who knowingly and willfully falsifies or who knowingly or willfully fails to file or report any information that the individual is required to report pursuant to the executive, legislative, or judicial personnel financial disclosure law. 5 U.S.C.S. § 204(c).

To protect privacy rights, a financial disclosure law may only require reports when there is a relation between the function of the office the person



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holds and the source, nature, or vocation of the income. Witt v. Morrow, 70 Cal. App. 3d 817, 139 Cal. Rptr. 161 (1977). The general operation of political disclosure laws sufficiently touches fundamental constitutional interest to invoke a strict scrutiny standard of overbreadth review. Hays v. Wood, 25 Cal. 3d 772, 160 Cal. Rptr. 102, 603 P.2d 19 (1979).

Although the financial disclosure laws under the Ethics in Government Act apply to Congressman Miller, the laws do not apply to persons outside of government service. To require Hamel to disclose his finances or to require the Owners to report Hamel's activities would probably constitute an unlawful invasion of privacy. The government ethics rules allow the Owners to abstain from public comment.

10. Civil Service Laws, 5 U.S.C.S. §§ 1211 et seq.

Federal regulations contain whistleblower statutes applicable to government employees but not to the general public. The absence of whistleblower statutes for the public may indicate a legislative intent against mandatory public whistleblowing.



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Civil service laws are one of the few sets of federal regulations containing whistleblower statutes. The purposes of civil service laws are to safeguard appointees against unjust charges of misconduct and to establish a merit system whereby selection for appointments in certain branches of public service may be based on relative fitness. Civil service laws apply the merit system to appointment, promotion and tenure of government employees. 5 U.S.C.S. §§ 1211 et seq.

Federal rules establish the Merit System Protection Board and the Office of Special Counsel to protect federal employees, especially whistleblowers, from prohibited personnel practices. 5 U.S.C.S. §§ 1211 et seq. The Merit Systems Protection Board hears and adjudicates all matters within its jurisdiction or any law, rule or regulation, and orders any federal agency or employee to comply with its order or decision. The Special Counsel receives allegations of a prohibited personnel practice and investigates the allegations to determine whether there are reasonable grounds to believe that a prohibited personnel practice has occurred, exists, or is to be taken. 5 U.S.C.S. § 1206.



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The Merit System Protection Board and the Special Counsel operate on voluntary information submitted by government employees. Section 1206 invites disclosure by government employees and promises protection to the whistleblowers. Employees should be protected against reprisal for the lawful disclosure of information which the employees "reasonably believe evidences -- (i) a violation of any law, rule, or regulation, or (ii) mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety." 5 U.S.C.S. § 2301(b)(1). However, the civil service laws do not require employees to inform authorities of wrongful conduct of another government employee.

The civil service laws protect whistleblowers but do not require disclosure of official misconduct. The laws only apply to civil servants and would not require or protect the Owners' disclosure of Hamel's activities with Miller.



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C. Conclusion.

Many federal statutes impose reporting requirements on government employees to expose official misconduct. No federal statute or judicial decision explicitly directs members of the general public to refrain from reporting official misconduct. Neither does any federal law explicitly require a non-participating third party to report such misconduct. In the absence of a statutory affirmative obligation to report, most likely the Owners may keep silent the knowledge of Hamel's and Miller's activities.



F2R000893

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November 22, 1991

George Miller, Chairman
Committee on Interior
and Insular Affairs
U.S. House of Representatives
1324 Longworth Bldg.
Washington, D.C. 20515

Dear Mr. Miller:

Enclosed please find a supplemental statement of Charles Hamel for inclusion in the record of the Congressional hearings held on November 4 through 6, 1991.

I apologize for the slight delay which resulted from the hospitalization of my daughter and my need to attend to my family obligations.

It has come to my attention that there has been a request to insert into the hearing record some version of the tapes and/or transcripts of the conversations between Wayne Black and Charles Hamel, and on occasion his wife Kathleen. In addition, it has been reported in the news media that Alyeska has prepared "enhanced" versions of the tapes for the Committee. Please consider this letter as a request for access by Mr. Hamel and myself to any "enhanced" transcripts or tapes supplied to the Committee for our review.

As you know, the tapes are extremely poor quality and unreliable and any reliance upon the tapes in an evidentiary sense would, in my opinion, be ill advised. Even Alyeska's own attorneys concluded that the tapes were, at best "disappointing," and more probably useless as any type of evidence that Mr. Hamel was an "extortionist." Thus, it is difficult for me to understand what information certain members of the Committee relied upon to support their opinions about Mr. Hamel's motives.

Additionally, I am dismayed at the continued efforts of Alyeska to publicly justify the Wackenhut investigation by claiming that Mr. Hamel was "trafficking in stolen goods." The facts are that Wayne Black, himself, knew on March 7, 1990 that Alyeska employees were protected from termination, retaliation, and criminal charges if they disclosed information about environmental and worker's safety issues to Hamel. However, notwithstanding Wayne Black's acknowledgement that whistleblowers from Alyeska were protected in their disclosures to Hamel, Alyeska embarked on its acknowledged campaign to "stop the leaks." Based on a review of

the documents provided at the hearing, it appears that Alyeska totally disregarded the federally protected rights of their work force, the constitutionally protected first amendment rights of their employees through association and free speech, and the State of Alaska's constitutional right to privacy of individual citizens in an ill-fated attempt to discredit my client and stop any dissent from anyone critical to Alyeska. Alyeska's continual attempt to characterize their investigation as a legitimate business activity is ludicrous.

The notes of the owners committee meeting acknowledges that no one at Alyeska bothered to determine whether photocopying documents containing violations of law was theft. Further, not one of the dozen of attorneys that has reviewed this case has yet to attempt to explain why, if Hamel was a thief, the Justice Department, a federal district court and a United States Court of Appeals all rejected Alyeska's claim to entitlement to their "stolen" documents, and protected Hamel's right to possess the documents. I am inserting for the record the Memorandum Opinion of the Honorable Norma Holloway Johnson, United States District Court of the District of Columbia, Alyeska Pipeline Service Company v. U.S. Environmental Protection Agency, (Civil Action No. 86-02176), and the U.S. Court of Appeals decision, Alyeska Pipeline Service Company v. U.S. Environmental Protection Agency, 856 F.2d 309 (D.C. Cir. 1988). In both of these cases, the Courts acknowledged that Hamel not only had a right to possess the documents and serve as a conduit to the EPA, he also had the right to protect even the identity of those employees that provided him the information from retalitaion by Alyeska . As noted in the District Court's opinion:

> However, it is not necessary to show that intimidation will certainly result; indeed, that would be very difficult to prove. ...
>
> When employees have provided a law enforcement agency with information about possible law violations by their employer, the possibility of witness intimidation grows. Referring to this situation, the Supreme Court in NLRB v. Robbins Tire & Rubber Co., 437 U.S. 214, 239-40 (1977), stated: "[t]he most obvious risk of 'interference' with enforcement proceedings in this context is that employees ... will coerce or intimidate employees and others who have given statements, in an effort to make them change their testimony or not testify at all...The danger of witness intimidation is

> particularly acute with respect to current employees...over whom the employer, by virtue of the employment relationship, may exercise intense leverage."

Indeed, the very employees that Alyeska is attempting to describe as common thieves, would have themselves been able to bring civil and possibly criminal actions against Alyeska for interfering with their right and duty to cooperate with a federal investigation. Obviously, the truth is that Alyeska never tried to "find the leaks" for the purpose of confronting the employees with engaging in legally protected activity. To do so would have been a violation of environmenatl regulations, and subject them to enforcement activity and injunctions. Rather, they intended to surreptitiously identify those employees who were providing information and illegally terminate them.

Thus, I am concerned that the failure of the Committee to include in the record of this hearing the existence of the previous litigation between Alyeska and the United States Environmental Protection Agency (EPA), and its outcome, leaves the impression that there is some scintilla of merit in the repeated charge that Hamel received "stolen" documents, instead that Hamel was functioning in concert with Alyeska employees in a legally protected capacity.

The fact is that Congress, and in part this very Committee, passed the Employee Protection Provisions of the various environmental laws and encouraged employees to report unsafe and dangerous environmental practices. The Honorable Justice George C. Edwards, Jr., of the Sixth Circuit Court of Appeals, wrote in an opinion under the Nuclear Whistleblower Protection Act, 42 U.S.C. SS5851, the following description of the intent of the laws:

> If employees are coerced and intimidated into remaining silent when they should speak out, the results can be catastrophic. Recent events here and around the world underscore the realization that such complicated and dangerous technology can never be safe without constant human vigilance. The employee protection provision involved in this case thus serves the dual function of protecting both employees and the public from dangerous radioactive substances.

Rose v. Secretary of Dept. of Labor, 800 F.2d 563, 565 (6th Cir., 1986).

The intent behind the non-nuclear whistleblower protection laws is the same[1]; and, albeit of a different character, environmental disasters such as the Valdez spill are not less significant to those whose lives were affected by them.

Mr. Hamel, whether by design or by default, became the recipient of mountains of information about environmental wrongdoing by Alyeska and the oil companies. Much of that information came as facsimile transmissions, some over the telephone, and some in the mail. All of the information was given to Mr. Hamel to pursue. To this day, Mr. Hamel continues to receive anonymously faxes, telephone calls, mail and federal expresses concerning irregularities at Alyeska

No one questions that Alyeska would rather the information never left the company. No one doubts that Alyeska would rather deal directly with its own employees or regulatory agencies, and not be held accountable to Mr. Hamel and those members of the media and Congress to whom he provided information. However, Congress created a legislative scheme that protects Mr. Hamel and his informants and encourages environmental "whistleblowing" by protecting the actions and anonymity of those who make the disclosures. It appears hypocritical for some members of this Committee to attempt to turn back the hands of time to before Love Canal, before Three Mile Island, before Chernobyl, and before the Valdez spill. Information about environmental violations is not secret, and cannot be stolen.

I trust that the Committee will address all of these matters in its final report. Please give me the courtesy of notice and an

---

[1] The other environmental employee protection provisions applicable to Alyeska employees are the Clean Air Act (CAA), 42 USC 7622; Safe Drinking Water Act (SDWA) 42 USC 300j-9, Solid Waste Disposal Act (SWDA) 42 USC 6971, Water Pollution Control Act (WPCA), 33 USC 1367; Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 USC 9610; and Toxic Substances Control Act (TSCA), 15 USC 2622.

opportunity to review any "enhanced" transcripts that the Committee determines it intends to include in the final record of the hearing so that I may review them for improvident disclosures of personal privacy matters on behalf of Mr. Hamel and his family.

Very truly yours,

Billie Pirner Garde

BPG/asb
Enclosure

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SUPPLEMENTAL TESTIMONY OF

CHARLES RANGEL

BEFORE THE

UNITED STATES HOUSE OF REPRESENTATIVES

OF THE UNITED STATES CONGRESS

COMMITTEE ON

INTERIOR AND INSULAR AFFAIRS

November 22, 1991

Washington, D.C.

AFFIDAVIT OF CHARLES HAMEL

COMMONWEALTH OF VIRGINIA $

CITY OF ALEXANDRIA $

My name is Charles Hamel, and I am giving this additiona testimony to the Committee on Interior and Insular Affairs as supplement to my statement of November 6, 1991, in an effort t address some of the allegations presented to the Committee b various witnesses during the hearing, and that have been repeate in the media before and since the hearing.

First, I have been accused of "buying influence" with th Congressional Committee in general, and its Committee Counsel i particular. This charge apparently stems from a totally false an inaccurate charge that I paid for a fishing vacation fo Congressman George Miller and his family to go to Alaska. There i no truth to that allegation.

I have only had personal communication or contact with Georg Miller three times in my life prior to the hearings last week. Th first occasions were when Congressman Miller, Committee staff an members stayed at a house I had rented in Valdez, Alaska, followin the Valdez spill in 1989.

After the Exxon Valdez disaster, public accommodations i Valdez were difficult, if not impossible to obtain. I was informe that the Committee could not obtain housing for the May, 1989 hearings, despite requests to the Coast Guard and State of Alask officials for assistance. Accordingly, I provided housin arrangements for the entire Committee, both Majority and Minorit Staff, their military pilots and support personnel. I shared a house with Chairman Miller and staff. The Air Force Administrativ Escort Officer reimbursed me for one third to one half of my dail rent for Chairman Miller and his staff.

I leased a vessel crew house in which a number of th Congressmen, Committee staff and flight crew and Members wer housed. It additionally served as the Committee's office/ headquarters as well. I was reimbursed those costs by the Ai Force Escort Officer.

I engaged hotel maids to prepare the crew house and clean u thereafter and was reimbursed those costs by the Air Force. obtained bed linen, etc., on loan from a hotel owner and was no charged, but I did pay the hotel maids to clean the linen and wa reimbursed by the Air Force.

I succeeded in obtaining basement hotel rooms for Congressman Owens and two Air Force personnel and the Air Force paid for those rooms directly to the hotel.

The third time I met Congressman Miller was at a campaign fund raising event for which Kathleen and I were provided free tickets. I have never given Congressman Miller any campaign contributions or other donations. I have never met his family, and I do not know if he has ever been on a vacation in Alaska.

There is also no truth to the charge that I have ever paid for a vacation for Mr. Jeff Petrich, the Committee Counsel. I met Mr. Petrich regarding Alyeksa and North Slope oil industry matters in 1987 and 1988. In 1989, I did encourage Jeff Petrich to travel to Valdez and the Alyeska terminal to personally witness and observe two dangerous situations at the terminal. The first involved the safety of the entire terminal, and the other involved the health and safety of the berth technicians. I was so concerned about these two situations that I offered to personally pay for the airfare of Mr. Petrich to Alaska; however, Mr. Petrich did not accept my offer.

Furthermore, although I consider Mr. Petrich a personal friend, I have never offered him anything of value. We have, on occasion, had dinner with our wives. I have paid for some of the dinners and the Petrichs have paid for others.

I have been accused in the media of "trafficking in stolen goods", in regards to information that I received from known and unknown employees of Alyeska, and the oil companies regarding activities that violate numerous environmental violations. I acknowledge that I am the recipient of information, and sometimes copies of documents, that detail violations of environmental and worker health and safety wrongdoing. I have been receiving such information for years. I do not believe that this information could ever be considered "stolen", since it is being provided to me by employees who seek no personal gain, but only regulatory compliance.

The sole purpose of passing on the information to me is to insure that it finds its way to the appropriate regulatory or Congressional authorities that are responsible for oversight of the oil companies and Alyeska. This is a legitimate purpose under the law, and in fact, to fail to report many of these violations would itself be a violation of law. Although I am not a lawyer, my familiarity with this comes from the fact that Alyeska tried to force the return of allegedly "stolen" documents from 1987 to 1989, through a suit against the Environmental Protection Agency for disclosure and return of documents I had provided to the EPA. My right to posses the documents and protect those who provided the documents to me was defended by the United States Department of Justice and upheld by the United States District Court and the

United States Court of Appeals for the Federal Circuit. It is difficult to place much stock in the accusations that I am trafficking in stolen goods, when my right to possess the documents was defended by the Justice Department.

The documents that have received substantial attention are a small group of documents stamped "attorney - client" privilege. I did not receive these documents from any Alyeska employee, or indeed from anyone connected to Alyeska or the owner companies or their attorneys. I received xeroxed copies of xeroxed copies of xeroxed copies -- a well peddled set of documents. I do not know who leaked them originally among the hundreds of persons having access to them at ARCO, British Petroleum, Exxon, Hess, Mobil, Phillips, Unocal, Alyeska, their legal departments, their outside law firms, their secretaries, paralegals, typists and print shops.

I did not provide these documents to anyone on the Committee or its staff. In fact, my reason for even offering only one of the documents was because it clearly stated in the "promises" portion that the lobbyists for the owner companies and Alyeska had been prompted "not to promise clean up of a spill in Prince William Sound." The documents continued to state that Congress and the public were to be, and were, duped because the Coast Guard and the Interior Department inferred that the owner companies and Alyeska were committed to clean up a Prince William Sound spill. I recognized that to be an incredible revelation because of my prior participation in the mid-1970's Congressional TransAlaska Pipeline System ("TAPS") Act hearings and floor debates when everyone concerned understood and there was no doubt whatsoever that the Alyeska owner companies were promising to clean up a Prince William Sound spill.

In most instances when I receive information that I believe is a matter of concern to issues being pursued by the Committee, I will advise Mr. Petrich of the information. If Congressman Miller is interested in pursuing the matter, Mr. Petrich will request the full information from the owner companies and Alyeska, rather than take my documents. He has on occasion accepted copies of some documents, such as the employee newsletter and announcements and other materials that are generally available within the company. Neither Congressman Miller nor Mr. Petrich has ever asked me to obtain information or documents from my friends or sources within the companies. Congressman Miller and Mr. Petrich have also never asked me to reveal my sources.

I make no apologies for my counter suit against Exxon for the money they cheated me and my partners out of in connection with my interest in the North Slope Pt. McIntyre oil field. In the summer of 1990 when Mr. Black was selectively questioning and recording me, settlement discussions, initiated by Exxon attorney Mr. Ron Gonzales, were ongoing between my lawyers and Exxon's lawyers. However, that case has nothing to do with my environmental and

worker health and safety concerns about Alyeska. The transcripts of the various conversations that I had with Wayne Black refer to the then pending "settlement" with Exxon. The facts are that Exxon and I have been in litigation and settlement discussions twice over these leases in the past twenty years. In both instances Exxon initiated the lawsuits and initiated the settlement discussions.

I have reviewed the tapes and transcripts that were provided to the Committee. It is my opinion that the tapes are incomplete, inaccurate and unreliable. In my review I noted incidences where Black would ask me a question, and there would be a pause in the tape, and I would respond with information totally unrelated to the subject of the question. In other cases the tape would appear to be absolutely clear, with no interference, and the transcript would cease entirely for an undetermined and undisclosed period of time. Since Mr. Black and Mr. Lund had custody and control over the tapes, and since the tapes obviously do not contain much of the information their memos assert, either the tapes have already been heavily altered, or they were selectively utilized to create a false impression. Since the tapes are essentially invalid, I see little point in attempting to analyze the contents of them for some purpose. Even in those instances where it is clear that I said things I wished I had not, such as stating that I had paid for Jeff Petrich's airplane ticket to go to Valdez to observe the Alyeska terminal problems, the tapes are heavily distorted.

I am virtually certain that I explained on numerous occasions to Wayne Black that the reason I offered to pay for Mr. Petrich's airfare was because I felt that if he flew on Committee funding he would have to tell the Minority Committee Staff, and I believed that Alyeska would be pre-advised and would cover up the irregularities before Mr. Petrich arrived. As it turned out Mr. Petrich did travel in August 1989, unannounced to Valdez, with ADEC and State Labor Department personnel and identified both problems immediately. Alyeska took prompt remedial action in both cases. Yet none of the tapes that I reviewed contain any explanation of the reasons that I offered to pay for Mr. Petrich's trip.

Other examples of the unreliability of the tapes are instances where the transcripts contain large gaps of time, and yet the typed versions make it appear as if certain sentences or words are connected. This type of distortion was carried even further by The Anchorage Times in their September 13, 1991, article written on the basis of access to tapes and documents that I still have not been provided. The Times article leaves the clear impression that the tapes are clear and straightforward, without any description of the flaws of the tapes or acknowledgement that the tapes are full of holes, gaps, missing sections, missing words, and garbles. The Times reporter and editor filled in the "garbles and blanks" and did not reveal to their readers of their "enhancement" of the blanks. They are also poorly transcribed and unintelligible. Thus, although I would like to address the allegations that are

being made against me on the basis of these transcripts, the fact is that they are not representative of what I recall of my meetings with Mr. Black and not accurate.

While these tapes are not reliable they do reflect a number of occasions where Wayne Black initiated questions about Congressman Miller, Congressman Harry Johnston, Mr. Petrich and other public officials, such as Ray Nye of EPA. The tapes do not reflect the continuing inquiries made by Wayne Black regarding Chairman Miller and his staff. Many of my conversations with Wayne Black were not recorded on the surveillance tapes. In fact, Mr. Black frequently sought information about my relationship with the Committee and its staff. This prompted me to offer to introduce him to the Committee staff as early as the May 1990 Black/Jacobsen visit to Washington, D.C.

The final matter I would like to address is the repeated assertion that Gloria Ewell is a fictions person. She is the wife of Ken Ewell, my business associate in MITi, a computer software company. MITi, which stands for Management Information Technology, Inc., is incorporated as a real business, not a "front" for the receipt of stolen documents as stated by Wayne Black. It is located in Washington, D.C. and Commack, New York, with a multimillion dollar license agreement with Japanese computer interests, which I negotiated. I have been a shareholder and member of the board for five years. Black was well aware that numerous sales had been made of our patented computer software, including to intelligence divisions of many U.S. government agencies. Black spent many hours at MITi offices during two demonstration and orientation visits, once accompanied by Ricki Jacobsen and once with Rick Lund.

I have read the foregoing Affidavit, and the information in it is true and correct to the best of my knowledge.

Further Affiant sayeth not.

Charles Hamel

CHARLES HAMEL

SUBSCRIBED AND SWORN TO ME on this the 22nd day of November, 1991.

NOTARY PUBLIC IN AND FOR THE COMMONWEALTH OF VIRGINIA
My Commission Expires: 1/18/93

Thomas K. Middlebrooks
Notary Public, Commonwealth of Virginia
My Commission Expires Jan. 18, 1993

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

ALYESKA PIPELINE SERVICE COMPANY, :

Plaintiff, :

v. : Civil Action No. 86-2176

ENVIRONMENTAL PROTECTION AGENCY, et al., :

Defendants. :

FILED
SEP - 9 1987
JAMES F. DAVEY, Clerk

MEMORANDUM OPINION

STATEMENT OF FACTS

This is an action arising under the Freedom of Information Act (FOIA), 5 U.S.C. § 552(b)(7)(A), and comes before this Court on cross motions for summary judgment and plaintiff's motion for reconsideration of motion for a Vaughn v. Rosen index. Plaintiff, Alyeska Pipeline Service Company (Alyeska), seeks disclosure of documents from defendant, Environmental Protection Agency (EPA), which were given to defendant by a private citizen, Mr. Charles Hamel. Mr. Hamel obtained the documents from current employees of Alyeska and released them to the defendant for purposes of exposing alleged violations of federal environmental laws by plaintiff.

Defendant claims that the documents given it by Mr. Hamel are exempt from disclosure, relying specifically upon

exemption (7)(A). Defendant argues that release of these documents will interfere with law enforcement proceedings.[1] The documents have been placed into a single category described as records obtained from Mr. Hamel. Release of these documents, or even a list of them, claims defendant, could expose the scope of the investigation currently proceeding against plaintiff, lead to the identification of the Alyeska employees who provided Mr. Hamel with the documents, subject them to pressure from the plaintiff, and produce a chilling effect on future witnesses who may be inclined to come forward with evidence of federal law violations.

In response, plaintiff argues that the documents at issue were originally produced by plaintiff, that the scope of the investigation has been publicized in the press and that there is no basis for concluding that Alyeska will either discover the identity of the employees involved or subject them to any type of pressure or intimidation. In short, plaintiff maintains that defendant has not met its burden of proof that release of the documents to plaintiff will interfere with a law enforcement proceeding.

After careful review of the parties submissions, and for the reasons discussed below, the Court finds that the defendant has met its burden of proof and therefore grants

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[1] 5 U.S.C. §552(b)(7)(A) states:
"This section does not apply to matters that are...(7) investigatory records compiled for law enforcement purposes, but only to the extent that the production of such records would (A) interfere with enforcement proceedings..."

EPA's motion for summary judgment and denies Alyeska's motion for summary judgment as well as for reconsideration of motion for index under Vaughn v. Rosen.

## DISCUSSION

Under exemption 7(A), the defendant must meet a two part test. It must (1) show that the records at issue were compiled for law enforcement purposes and (2) that release of these records would interfere with enforcement proceedings. Pratt v. Webster, 673 F.2d 408, 413 (D.C. Cir. 1982).

The EPA maintains that the documents relate to an ongoing investigation of Alyeska concerning possible violations of the federal Clean Water Act, 33 U.S.C. §§1251-1376, the Clean Air Act, 42 U.S.C. §§7401-7642, and the Toxic Substances Control Act, 15 U.S.C. §§2601-2629. Plaintiff does not appear to contest this issue and concedes that it has been under investigation by defendant. See Plaintiff's Motion for Summary Judgment, at 4.

There is, however, disagreement over the effect of disclosing the documents at issue in this action. To meet its burden, the EPA must show, "by more than conclusory statement[s], how the particular kinds of investigatory records requested would interfere with a pending enforcement proceeding." Campbell v. Department of Health & Human Services, 682 F.2d 256, 259 (D.C. Cir 1982). Thus, defendant

must present the court with specific examples and explanations of the type of harm that could result from disclosure.

As a threshold issue, it is important to note that the defendant need not describe the possible risks involved in disclosing each document requested. It may focus on categories of documents and show how disclosure of each category could impede enforcement proceedings. Bevis v. Department of State, 801 F.2d 1386, 1389 (D.C. Cir. 1986); Crooker v. Bureau of Alcohol, Tobacco and Firearms, 789 F.2d 64 (D.C. Cir. 1986); Campbell, supra, 682 F.2d at 265. Of course before the documents may be categorized, the defendant must go through each individual record and place it in the proper category. Bevis, supra, 801 F.2d at 1389. In the instant action, defendant maintains that all the documents in issue (twenty-two documents, consisting of one hundred and seventy five pages) should be placed in a single category, as those Alyeska documents obtained from Mr. Hamel. There appears to be no objection from the plaintiff regarding this categorization by defendant.

The defendant, therefore, must show that this category of documents, if released, will interfere with its on-going investigation of plaintiff. Campbell v. Department of Health & Human Services, 682 F.2d 256, 265 (D.C. Cir. 1982). Defendant offers two types of possible interference that could arise should the documents be released.

First, it maintains that release of these records will expose the scope, size, and direction of the investigation being conducted and thereby allow "for the destruction or alteration of relevant evidence, and the fabrication of fraudulent alibis." Affidavit of John Y. Horn, at 5.

Plaintiff answers this charge by arguing that the scope of the investigation has already been revealed as it has been published in newspaper stories and is indeed common knowledge. It argues that it is already under an order to comply with the EPA investigation and to refrain from destroying any pertinent documents; thus, releasing the documents will not provide plaintiff with any new information regarding the investigation at issue herein. D e f e n d a n t counters, through the affidavit of John Y. Horn, that plaintiff does not know the focus of its investigation, and in fact, if it did, would not be so anxious to know what documents were given to it by Mr. Hamel.

The affidavits of a government agency in FOIA cases are to be given substantial weight by a reviewing court. Hayden v. National Security Agency/Central Security Service, et al., 608 F.2d 1381, 1384 (D.C. Cir. 1979) cert denied, 466 U.S. 937 (1980); see also, Gardels v. C.I.A., 689 F.2d 1100, 1104 (D.C. Cir. 1982) ("Once satisfied that proper procedures have been followed and that the information logically falls into the exemption claimed, the courts 'need not go further to test the expertise of the agency, or to question its veracity

hen nothing appears to raise the issue of good faith.'" quoting Weissman v. Central Intelligence Agency, 565 F.2d 692, 697 (D.C. Cir. 1977)).

In this instance, the Court is satisfied that Alyeska is not fully aware of the scope and focus of the EPA's investigation and that release of these documents could provide it with important insight in this respect. Clearly, if release of the documents will reveal the focus of the EPA's investigation of Alyeska, the disclosure will impede law enforcement proceedings. Murphy v. Federal Bureau of Investigation, 490 F.Supp. 1138, 1143 (D.D.C. 1980).

Second, defendant fears that release of the documents would allow plaintiff to trace them to the individual employees who gave them to Mr. Hamel. If identified, these employees could become the subject of reprisal by plaintiff and could deter them from providing further information to defendant.

Plaintiff maintains that there is no reason to suspect that Alyeska would engage in employee harassment of any kind. Alyeska has no record of witness or employee intimidation, and thus, it argues, even if it were to learn the identity of the employees who gave documents to Mr. Hamel, there is no reason to suspect that it will harass these employees in any way.

However, it is not necessary to show that intimidation will certainly result; indeed, that would be very difficult

to prove. Instead the defendant must show that the possibility of witness intimidation exists. See Gardels v. C.I.A., 689 F.2d 1100, 1106 (D.C. Cir. 1982)("There is a parallel answer to plaintiff's other plaint that there is no proven past history of compromise of sources and methods through acknowledgement of covert agency activity at a place or institution. 'The purpose of national security exemptions to the FOIA is to protect intelligence sources before they are compromised and harmed, not after.'" (quoting Halperin v. Central Intelligence Agency, 629 F.2d 144, 149 (D.C. Cir. 1980)).

When employees have provided a law enforcement agency with information about possible law violations by their employer, the possibility of witness intimidation grows. Referring to this situation, the Supreme Court in NLRB v. Robbins Tire & Rubber Co., 437 U.S. 214, 239-40 (1977), stated: "[t]he most obvious risk of 'interference' with enforcement proceedings in this context is that employers ... will coerce or intimidate employees and others who have given statements, in an effort to make them change their testimony or not testify at all...The danger of witness intimidation is particularly acute with respect to current employees...over whom the employer, by virtue of the employment relationship, may exercise intense leverage." Thus, it is not necessary to show that this particular plaintiff will in fact attempt to intimidate its employees, but rather, it is the very nature

of the relationship which lends itself to the possibility of witness intimidation. Accordingly, the Court finds sufficient evidence of the possibility of witness intimidation such that the documents should not be disclosed.

Finally, plaintiff requests the Court to reconsider its denial of a motion for a Vaughn index. The Court denied that motion as premature when it was first presented to the Court in September 1986.

Today, while the request may be ripe, the Court holds that requiring a Vaughn index in this matter will result in exactly the kind of harm to defendant's law enforcement proceedings which it is trying to avoid under exemption 7(A). A list of the documents given to defendant by Mr. Hamel is the same as providing plaintiff with the actual documents, for plaintiff created the records at issue, and if provided with a list, could easily determine their contents with the result of disclosure of the breadth of the investigation as well as the identity of the employees involved. "When the itemization and justification are themselves sensitive...to place them on public record could [produce] damage ... in precisely the way that [the] FOIA [e]xemption...is intended to prevent. Hayden v. National Security Agency/Central Security Service, 608 F.2d 1381, 1384 (D.C. Cir. 1979).

Accordingly, for all of the reasons mentioned above, defendant's motion for summary judgment will be granted and

the motions of plaintiff for summary judgment and for reconsideration will be denied.

Consistent with this Memorandum Opinion, an appropriate Order will be entered.

NORMA HOLLOWAY JOHNSON
UNITED STATES DISTRICT JUDGE

DATED: December 4, 1987

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

ALYESKA PIPELINE SERVICE COMPANY, :

Plaintiff, :

v. : Civil Action No. 86-2176

ENVIRONMENTAL PROTECTION AGENCY, et al., :

Defendants. :

FILED
SEP - 9 1987
JAMES F. DAVEY, Clerk

O R D E R

Upon consideration of defendant's motion for summary judgment, plaintiff's motion for summary judgment and for reconsideration, and it appearing to the Court that the granting of defendant's motion would be just and proper, it is by the Court this 9th day of September, 1987,

ORDERED that defendant's motion for summary judgment be, and it hereby is, granted; and it is further

ORDERED that the motions of plaintiff for summary judgment and reconsideration be, and they hereby are, denied.

Norma Holloway Johnson

NORMA HOLLOWAY JOHNSON
UNITED STATES DISTRICT JUDGE

Alyeska Pipeline Service Company v. EPA

Civil Action No. 86-2176, September 7, 1987 (D.D.C.)

Judge Norman Johnson of the United States District Court for the District of Columbia has upheld the Agency's withholding of records under exemption 7(A) of the Freedom of Information Act. The records in question were obtained from an Alyeska employee and relate to possible violations by Alyeska of the Clean Water Act, Clean Air Act and TSCA. EPA claimed that release of the records would interfere with its law enforcement proceedings. The court agreed and also refused plaintiff's request for the Agency to index each withheld record. Judge Johnson concluded that indexing each record would result in exactly the kind of harm to EPA's law enforcement proceedings which it was trying to avoid under exemption 7(A).

ALYESKA PIPELINE SERVICE COMPANY, Appellant

v.

U.S. ENVIRONMENTAL PROTECTION AGENCY, et al.

No. 87-5381.

United States Court of Appeals, District of Columbia Circuit.

Argued May 27, 1988.

Decided Sept. 13, 1988.

Corporation under investigation sought review of Environmental Protection Agency's claim of exemption under Freedom of Information Act. The United States District Court for the District of Columbia, Norma Holloway Johnson, J., granted summary judgment in favor of Agency, and appeal was taken. The Court of Appeals, Spottswood W. Robinson, III, Circuit Judge, held that Environmental Protection Agency's refusal to produce copies of corporation's records provided to Agency by third party was justified by Freedom of Information Act exemption which authorized withholding of information compiled for law enforcement purposes when production thereof could reasonably be expected to interfere with enforcement proceedings.

Affirmed.

1. Records ⇐65

Governmental agency has burden of demonstrating that exemption to Freedom of Information Act disclosure requirements applies. 5 U.S.C.A. § 552.

2. Records ⇐60

Environmental Protection Agency's refusal, upon request by corporation under investigation, to produce copies of corporation's records provided to Agency by third party was justified by Freedom of Information Act exemption which authorized withholding of information compiled for law enforcement purposes when production thereof could reasonably be expected to interfere with enforcement proceedings, where disclosure of records would inform corporation of scope of Agency's investigation, and could expose corporate employees who had provided records to third party to potential harassment and reprisal. 5 U.S.C.A. § 552(b)(7)(A).

3. Federal Civil Procedure ⇐2470

If material facts are genuinely in issue or, though undisputed, are susceptible to divergent inferences bearing on issue critical to disposition of case, summary judgment is not available; on the other hand, motion for summary judgment adequately underpinned is not defeated simply by mere assertion or unaided claim that factual controversy persists.

4. Records ⇐63

District court properly considered Environmental Protection Agency's claim of exemption under Freedom of Information Act de novo. 5 U.S.C.A. § 552.

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Appeal from the United States District Court for the District of Columbia (Civil Action No. 86-02176).

William H. Allen, with whom Mark H. Lynch and Quinn O'Connell, Washington, D.C., were on the brief for appellant.

Marina Utgoff Braswell, Atty. Dept. of Justice, with whom Jay B. Stephens, U.S. Atty., John D. Bates and R. Craig Lawrence, Asst. U.S. Attys., were on brief for appellees. Joseph E. diGenova, U.S. Atty., Washington, D.C., also entered an appearance for appellees.

Before ROBINSON, RUTH BADER GINSBURG and SENTELLE, Circuit Judges.

Opinion for the Court filed by Circuit Judge SPOTTSWOOD W. ROBINSON, III.

SPOTTSWOOD W. ROBINSON, III, Circuit Judge:

Alyeska Pipeline Service Company seeks release under the Freedom of Information

Act (FOIA)[1] of copies of certain of its own corporate records that were provided to the Environmental Protection Agency (EPA) by a third party. EPA has refused to surrender the documents, invoking FOIA Exemption 7(A), which authorizes the withholding of information compiled for law enforcement purposes when the production thereof "could reasonably be expected to interfere with enforcement proceedings."[2] Finding that the documents sought fall within that exemption, and that the District Court's grant of summary judgment in favor of the agency was appropriate, we affirm.

I

Alyeska operates the Trans-Alaska Pipeline System through which unrefined liquid hydrocarbons produced on Alaska's North Slope are transported to Valdez, Alaska, for loading onto ships. At the Valdez terminal, Alyeska maintains a ballast water treatment (BWT) facility where water is removed from the holds of tankers awaiting loading and is then treated to extract oil, grease, and aromatics before being discharged into Valdez Bay.

Alyeska's BWT facility is the focus of an ongoing EPA investigation into possible violations of a number of environmental laws.[3] In January, 1985, EPA propounded, pursuant to its statutory authority, interrogatories to Alyeska concerning operation of the facility. In late March, EPA received from Charles Hamel, a private citizen, notice of his intent to commence an action to enforce the terms of Alyeska's National Pollutant Discharge Elimination System (NPDES) permit.[4] Subsequently, EPA ordered Alyeska to preserve all of its records pertaining to the facility. In July and November, 1985, EPA issued compliance orders enumerating violations at the BWT facility and requiring Alyeska to correct them.[5]

In connection with this investigation, Hamel turned over to EPA certain of Alyeska's corporate records that had been provided to him by Alyeska employees. In February, 1986, Alyeska requested disclosure, pursuant to FOIA, of the documents obtained from Hamel. EPA located 22 responsive documents, consisting of approximately 177 pages, but withheld them in full. The agency relied on Exemption 7 "because [the request was for] investigatory records compiled for law enforcement purposes the disclosure of which would identify the confidential source of these documents and investigative techniques and procedures."[6] Alyeska's administrative appeal was denied.[7]

Alyeska filed suit in the District Court in August, 1986. On cross-motions for summary judgment, the court held that EPA's refusal to produce the documents was justified by FOIA Exemption 7(A) because disclosure would interfere with EPA's ongoing law enforcement proceeding against Alyeska.[8] The court found that "Alyeska

1. 5 U.S.C. § 552 (1982 & Supp. IV 1986).

2. *Id.* § 552(b)(7)(A). Exemption 7(A) authorizes the withholding of "records or information compiled for law enforcement purposes, but only to the extent that the production of such law enforcement records or information could reasonably be expected to interfere with enforcement proceedings."

3. We are advised by EPA that subsequent to submission of this case for our decision, one facet of the investigation has been completed, although other aspects remain ongoing. In the absence of any indication that this development should affect our outcome, we dispose of the case on the basis of the written and oral arguments theretofore made.

4. Letter from Angus Macbeth, Attorney for Charles Hamel, to Lee M. Thomas (Mar. 27, 1985), Joint Appendix (J. App.) 33–41.

5. J. App. 89–102.

6. Letter from Ernesta B. Barnes to Maryann Armbrust (Feb. 13, 1986), J. App. 9; see 5 U.S.C. § 552(b)(7)(A) (1982 & Supp. IV 1986).

7. Although EPA released Hamel's one-page letter transmitting the contested documents to EPA, J. App. 31, no other material has been relinquished.

8. *Alyeska Pipeline Serv. Co. v. EPA*, Civ. No. 86–2176 (D.D.C. Sept. 9, 1987) (memorandum opinion), J.App. 106 [available on WESTLAW, 1987 WL 17071].

[was] not fully aware of the scope and focus of the EPA's investigation and that release of the[ ] documents could provide it with important insight in this respect," [9] and thereby impede the agency's enforcement efforts. In addition, the court echoed EPA's concern that production of the records might allow Alyeska to identify the employees who supplied them to Hamel, and thereby subject them to potential reprisals and deter them from providing further information to EPA.[10] Alyeska argued that there was no reason to suspect that it would engage in employee harassment, but the District Court held that it "was not necessary to show that intimidation will certainly result"; [11] rather, it was sufficient to establish that the possibility existed. " 'The danger of witness intimidation,' " the court said, " 'is particularly acute with respect to current employees ... over whom the employer, by virtue of the employment relationship, may exercise intense leverage.' " [12] Accordingly, the court granted summary judgment in favor of EPA.[13]

Alyeska argues on appeal that summary judgment was inappropriate because the parties' affidavits conflicted in regard to whether disclosure could reasonably be expected to interfere with EPA's law enforcement proceeding. Alyeska also argues that the District Court did not examine the agency's exemption claim de novo, as required by FOIA.[14] We reject these contentions and affirm.

## II

[1] FOIA's disclosure requirements do not apply to "records or information compiled for law enforcement purposes ... to the extent that [their] production ... could reasonably be expected to interfere with enforcement proceedings." [15] The agency has the burden of demonstrating that the exemption applies.[16] Since Alyeska concedes that the documents in question qualify as "records or information compiled for law enforcement purposes," [17] the remaining question is whether release "could reasonably be expected to interfere with enforcement proceedings." [18]

[2] In support of its motion for summary judgment, EPA submitted the affidavit of John Y. Hohn, Associate Counsel for EPA Region 10, who actively participated in the supervision of EPA's investigation of Alyeska.[19] According to the affidavit,

9. *Id.* at 6, J.App. 111.

10. *Id.* at 6–7, J.App. 111–112.

11. *Id.* at 7, J.App. 112.

12. *Id.* (quoting *NLRB v. Robbins Tire & Rubber Co.*, 437 U.S. 214, 239–240, 98 S.Ct. 2311, 2326, 57 L.Ed.2d 159, 177 (1977)).

13. The District Court also denied Alyeska's motion for a *Vaughn* index. See *Vaughn v. Rosen*, 157 U.S.App.D.C. 340, 484 F.2d 820 (1973), *cert. denied*, 415 U.S. 977, 94 S.Ct. 1564, 39 L.Ed.2d 873 (1974). Because Alyeska itself created the records at issue, the court concluded that provision of a list of the documents would be tantamount to disclosing them in full, thereby causing "exactly the kind of harm to [Alyeska's] law enforcement proceedings which it is trying to avoid under exemption 7(A)." *Alyeska Pipeline Serv. Co. v. EPA*, *supra* note 8, at 8, J.App. 113. This aspect of the court's ruling is not challenged on appeal.

14. See 5 U.S.C. § 552(a)(4)(B) (1982).

15. 5 U.S.C. § 552(b)(7)(A) (1982 & Supp. IV 1986), quoted *supra* note 2.

16. *NLRB v. Robbins Tire & Rubber Co.*, *supra* note 12, 437 U.S. at 236, 98 S.Ct. at 2324, 57 L.Ed.2d at 174–175; *Bevis v. Department of State*, 255 U.S.App.D.C. 347, 349, 801 F.2d 1386, 1388 (1986).

17. *Alyeska Pipeline Serv. Co. v. EPA*, *supra* note 8, at 3, J.App. 108.

18. See *Bevis v. Department of State*, *supra* note 16, 255 U.S. App.D.C. at 349, 801 F.2d at 1388; *Campbell v. HHS*, 221 U.S.App.D.C. 1, 4, 682 F.2d 256, 259 (1982). We note that the District Court quoted the pre-amendment version of Exemption 7(A), which required a showing that disclosure of the requested records "would interfere" with enforcement proceedings instead of "could reasonably be expected to interfere." *Alyeska Pipeline Serv. Co. v. EPA*, *supra* note 8, at 3, J.App. 108. This inaccuracy, however, does not impact upon our disposition, for if it had any effect at all, it would have indicated that the court required EPA to meet a higher standard than FOIA now demands.

19. Affidavit of John Y. Hohn, attachment to EPA's Statement of Material Facts, *Alyeska Pipeline Serv. Co. v. EPA*, *supra* note 8 (filed Dec. 12,

EPA's investigation encompasses possible violations of numerous environmental protection statutes, including the Clean Water Act, the Clean Air Act, the Resource Conservation and Recovery Act, and the Toxic Substances Control Act.[20] Hohn averred that during EPA's investigation, he engaged in "detailed, confidential conversations with Mr. Hamel" during which he "requested that Mr. Hamel provide [Hohn] with documents that pertained to specific allegations of statutory violations by Alyeska that would serve to substantiate portions of his notice of citizen's suit." [21] Hamel thereafter delivered the records at issue, which, according to Hohn, "pertained to the narrow areas of inquiry that I had discussed with Mr. Hamel." [22] Hohn further stated that the materials "constitute but a small portion of the total amount of Alyeska documents Mr. Hamel was prepared to provide to EPA." [23]

To demonstrate that release would likely interfere with law enforcement proceedings, the Hohn affidavit asserted that disclosure would "prematurely reveal[ ] to the subject of this ongoing investigation the size, scope and direction of this investigation." [24] Hohn reasoned that because Hamel provided only "a limited number of selected documents in response to my request for certain documents that evidenced particular types of alleged illegal behavior, the mere identification of the specific records submitted would reveal the scope and direction of the investigation to the requester." [25] Put in other words, Hohn's point was that because the materials handed over to EPA were selectively chosen, identification of the documents would expose the particular types of allegedly illegal activities being investigated.[26] Hohn therefore concluded that disclosure could "allow for the destruction or alteration of relevant evidence, and the fabrication of fraudulent alibis." [27]

Hohn further averred that reveiation of the documents could enable Alyeska to identify the individuals who gave them to Hamel, with the consequence that "these potential witnesses would be less likely to cooperate fully with the EPA." [28] Hohn reasoned that the employees would feel more vulnerable to potential reprisals than other witnesses, and that Mr. Hamel repeatedly emphasized that the employees who provided the records were "fearful of financial and physical retribution from Alyeska if their identities were discovered." [29] Hohn also asserted that release at this time would chill future investigations by discouraging witnesses from providing information.

Hitherto we have realized that it is not enough for an agency to shore up its exemption claim merely with general and conclusory statements regarding the effect of disclosure.[30] In this case, however, the Hohn affidavit does not suffer from such deficiencies, and the justifications it proffers have achieved recognition in Exemption 7 caselaw.

In *NLRB v. Robbins Tire & Rubber Company*,[31] an employer charged with unfair labor practices sought, in advance of the administrative hearing on those charges, to obtain copies of statements submitted to NLRB by prospective witness-

1986), J.App. 19–25 [hereinafter Hohn Affidavit].

20. *Id.* ¶ 7, J.App. 21.

21. *Id.* ¶ 9, J.App. 21–22.

22. *Id.* ¶ 9, J.App. 22.

23. *Id.*

24. *Id.* ¶ 13, J.App. 23.

25. *Id.*

26. See *Willard v. IRS*, 776 F.2d 100, 103 (4th Cir.1985) (copies of notes made by IRS agents during interviews properly withheld where "selectivity in recording would certainly provide clues to the appellants of the nature and scope of the investigation").

27. Hohn Affidavit, *supra* note 19, ¶ 13, J.App. 23.

28. *Id.* ¶ 14, J.App. 24.

29. *Id.*

30. See *Campbell v. HHS*, *supra* note 18, 221 U.S.App.D.C. at 9, 682 F.2d at 264.

31. *Supra* note 12.

es. The agency denied the request, claiming that prehearing disclosure would interfere with enforcement proceedings, and the Supreme Court upheld the agency's position. The Court noted that in enacting Exemption 7, "Congress recognized that law enforcement agencies had legitimate needs to keep certain records confidential, lest the agencies be hindered in their investigations or placed at a disadvantage when it came time to present their cases." [32] The Court observed that "[t]he most obvious risk of 'interference' with enforcement proceedings in this context is that employers or, in some cases, unions will coerce or intimidate employees and others who have given statements, in an effort to make them change their testimony or not testify at all." [33] The Court stressed the danger of giving a party litigant earlier and greater access to the agency's case than he would otherwise have, and declared that even without intimidation or harassment a suspected violator with advance access thereto could " 'construct defenses which would permit violations to go unremedied.' " [34]

Our review of EPA's submissions in this case thus leads us to the conclusion that the agency has met its burden of establishing that Exemption 7(A) is broad enough to intercept the documents in dispute.

## III

We confront, however, Alyeska's principal argument on this appeal: that the summary judgment obtained by EPA was inappropriate because conflicts in the parties' affidavits posed genuine issues of material fact which necessarily precluded a summary disposition by the District Court.

[3] Summary judgment may be rendered only when it is properly shown "that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law." [35] We have repeatedly emphasized that FOIA cases are not immune to summary judgment requirements.[36] Very recently, in *Washington Post Company v. Department of State*,[37] we declared that "when the litigants quarrel over *key factual premises* for a determination [of the probable consequences of releasing particular information], we have unhesitatingly ruled that summary judgment is inappropriate." [38] Alyeska, however, endeavors to cull from *Washington Post* the proposition that anytime the parties' affidavits disagree on the probable consequences of a disclosure, summary judgment is barred.[39] This reading is obviously too broad, for it would mean that any motion for summary judgment could readily be defeated by submission of a counteraffidavit that merely draws from a single set of uncontroverted facts a conclusion different from that reached by the agency. If FOIA parties could routinely block summary judgment in this fashion, many unmeritorious FOIA cases could not be disposed of prior to a

32. 437 U.S. at 224, 98 S.Ct. at 2318, 57 L.Ed.2d at 167.

33. *Id.* at 239, 98 S.Ct. at 2325, 57 L.Ed.2d at 176.

34. *Id.* at 241, 98 S.Ct. at 2326, 57 L.Ed.2d at 178 (quoting *New England Medical Center Hosp. v. NLRB*, 548 F.2d 377, 382 (1st Cir.1976), in turn quoting *Title Guarantee Co. v. NLRB*, 534 F.2d 484, 491 (2d Cir.), *cert. denied*, 429 U.S. 834, 97 S.Ct. 98, 50 L.Ed.2d 99 (1976)). Similarly, in *Campbell v. HHS*, *supra* note 18, we ourselves distinguished the situation faced there from the typical Exemption 7 context, where the problem is that "an actual or potential target of an ... enforcement proceeding ... seeks early discovery of the strength of the government's case in order to tailor his defense." 221 U.S.App.D.C. at 10, 682 F.2d at 265.

35. Fed.R.Civ.P. 56(c) ("[t]he judgment sought shall be rendered forthwith if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law").

36. *Washington Post Co. v. Department of State*, 268 U.S.App.D.C. 146, 149, 840 F.2d 26, 29 (1988); *Afshar v. Department of State*, 226 U.S. App.D.C. 388, 406, 702 F.2d 1125, 1143 (1983); *Londrigan v. FBI*, 216 U.S.App.D.C. 345, 355–356, 670 F.2d 1164, 1174–1175 (1981).

37. *Supra* note 36.

38. 268 U.S.App.D.C. at 150, 840 F.2d at 30 (emphasis added).

39. Brief for Appellant at 15.

trial. To be sure, if material facts are genuinely in issue or, though undisputed, are susceptible to divergent inferences bearing upon an issue critical to disposition of the case, summary judgment is not available. But if, on the other hand, neither of these two scenarios is present, a motion for summary judgment adequately underpinned is not defeated simply by a bare opinion or an unaided claim that a factual controversy persists [40]

In the case at bar, the affidavit submitted by Aleyska did not draw into issue any factual premise essential to the position elucidated in EPA's affidavit. Rather, upon close examination, the supposed conflicts between the two affidavits turn out to be illusory. They purportedly arise through the affidavit of Ivan Henman, an Alyeska employee in charge of a task force established by the company to respond to EPA's investigation.[41] Henman asserted that Alyeska knows the scope of the investigation undertaken by EPA, and consequently that release of the sought-after documents would not provide the company with any new insight in this regard.[42] Henman relied upon EPA's numerous requests for information, its interviews with employees, and two compliance orders issued against Alyeska in an effort to support the contention that "[t]hrough all of this interaction, the *general scope* of the agency's investigation has been made clear as have the specific alleged activities which might constitute violations of the Clean Water Act." [43] It is evident, however, that a party's purported knowledge of the "general" scope of an investigation is a far cry from specific knowledge of the particular activities being investigated and the direction being pursued. Furthermore, although Alyeska asserts that it is aware of "the specific alleged activities which might constitute violations of the Clean Water Act," EPA has made plain that its investigation encompasses numerous other environmental statutes as well.[44] Nor is it reasonable to conclude that the compliance orders addressed all aspects of EPA's investigation. Henman's affidavit presented no reliable evidence to support this alleged knowledge; in sum, therefore, his assertion that he knows the scope of the investigation is really nothing more than speculation.[45]

A second purported conflict alleged by Alyeska concerns the question whether release of the documents would allow identification of the employees who provided the documents, and thereby subject them to the risk of harassment or reprisals, or discourage them from cooperating in the investigation. The Henman affidavit asserted that through newspaper accounts of the EPA investigation he is "familiar with the documents which the reporters either described or named in their articles." [46] As to those documents, he "knows" that each was handled by at least fourteen Alyeska management personnel as well as other employees, and that it therefore would "be impossible to track down each person who had contact with them and determine if he or she had kept a copy for private use." [47] Henman did not contend, however, that the press reports revealed the identity of all 22 documents at issue in this case. Thus, his affidavit leaves open the prospect that

40. *See Gardels v. CIA*, 223 U.S.App.D.C. 88, 94 n. 5, 689 F.2d 1100, 1106 n. 5 (1982) (Exemption 3 case—affiant's "views" insufficient to raise triable issue); *Curran v. Department of Justice*, 813 F.2d 473, 477 (1st Cir.1987) (Exemption 7(A) case); *Spannaus v. Department of Justice*, 813 F.2d 1285, 1289 (4th Cir.1987) (same).

41. Affidavit of Ivan Henman, attachment to Alyeska's Statement of Material Facts, *Alyeska Pipeline Serv. Co. v. EPA*, *supra* note 8, (filed Jan. 7, 1987), J.App. 67–70 [hereinafter Henman Affidavit].

42. *Id.* ¶ 5, J.App. 69.

43. *Id.* (emphasis added).

44. Hohn Affidavit, *supra* note 19, ¶ 7, J.App. 21.

45. See Fed.R.Civ.P. 56(e) ("[s]upporting and opposing affidavits shall be made on personal knowledge, shall set forth such facts as would be admissible in evidence, and shall show affirmatively that the affiant is competent to testify to the matters stated therein").

46. Henman Affidavit, *supra* note 41, ¶ 3, J.App. 68.

47. *Id.*

Alyeska could track the individuals who supplied some of the documents. Moreover, even if we were to assume that all documents were handled as Henman described, it would not follow that their release could in no way aid Alyeska, even in combination with other information, in discerning responsible employees. We are once again led to conclude that the affidavit's contents on this matter are more surmise than fact, and that Alyeska has not pointed to a genuine issue of material fact that would preclude summary judgment.

[4] Alyeska's final contention is that the District Court did not consider de novo the agency's claim of exemption.[48] It bases this argument solely on the court's comment that "[t]he affidavits of a government agency in FOIA are to be given substantial weight by a reviewing court."[49] This observation, says Alyeska, is "a clear sign that [the court] failed to exercise the requisite de novo scrutiny to EPA's affidavit,"[50] and as such mandates reversal. We note that the District Court supported its statement by citation to two FOIA Exemption 1 cases involving issues of national security, where courts accord "substantial weight" to an agency's affidavit.[51] In this circuit, however, we have not found it appropriate to extend any special deference beyond the Exemption 1 context.[52]

Nonetheless, we believe that Alyeska has misassessed the significance of the District Court's statement. The affidavits of both parties are to be given the weight they are due on the basis of their contents. We have held that EPA's affidavit discharged its burden and that no genuine issue of material fact was presented. Our conclusion that summary judgment was appropriate thus requires no deference at all to the agency.[53] Additionally, the District Court's opinion provides adequate evidence that the parties' submissions were reviewed in their entirety. The judgment of the District Court is accordingly

AFFIRMED.

48. See 5 U.S.C. § 552(a)(4)(B) (1982) ("the district court ... shall determine the matter de novo ...").

49. *Alyeska Pipeline Serv. Co. v. EPA*, *supra* note 8, at 5, J.App. 110.

50. Brief for Appellant at 24.

51. *Hayden v. National Sec. Agency*, 197 U.S.App. D.C. 224, 227, 608 F.2d 1381, 1384 (1979), *cert. denied*, 446 U.S. 937, 100 S.Ct. 2156, 64 L.Ed.2d 790 (1980); *Gardels v. CIA*, *supra* note 40, 223 U.S.App.D.C. at 92, 689 F.2d at 1104.

52. *Washington Post Co. v. Department of State*, *supra* note 36, 268 U.S.App.D.C. at 153–155, 840 F.2d at 33–35; *Arieff v. Department of Navy*, 229 U.S.App.D.C. 430, 435, 712 F.2d 1462, 1467 (1983); see also *Ferri v. Bell*, 645 F.2d 1213, 1221 (3d Cir.1981).

53. Furthermore, the District Court cited *Gardels v. CIA*, *supra* note 40, for the proposition that "[o]nce satisfied that proper procedures had been followed and that the information logically falls into the exemption claimed, the courts 'need not go further to test the expertise of the agency, or to question its veracity when nothing appears to raise the issue of good faith.'" 223 U.S.App.D.C. at 92, 689 F.2d at 1104 (quoting *Weissman v. CIA*, 184 U.S.App.D.C. 117, 122, 565 F.2d 692, 697 (1977)). It thus appears that the court may well have used the phrase "substantial weight" in a much more benign sense than Alyeska would ascribe to it.



WESTERN UNION CORPORATION, Petitioner,

v.

FEDERAL COMMUNICATIONS COMMISSION and United States of America, Respondents,

American Telephone & Telegraph Co., et al., Intervenors.

Nos. 86-1196, 86-1268 and 86-1647.

United States Court of Appeals, District of Columbia Circuit.

Argued Jan. 22, 1988.

Decided Sept. 13, 1988.

Commercial customer of local telephone exchanges sought review of Federal

DEPARTMENT OF THE AIR FORCE
WASHINGTON, DC 20330-1000

SPECIAL ORDER 4 May 1989
TA-3398

Each of the following, is authorized to travel on or about 5 May 89 by military aircraft from Wash DC to Cordova, Valdez, AK and Winnipeg, CN, for approximately 5 days, in connection with official business of the House Committee on Interior and Insular Affairs (HIIA), 31 U.S.C. 1108(g) and upon completion will return to Wash DC. Variations in itinerary authorized. Ship service stores, post exchange, commissary, mess and other facilities incident to this travel will be made available to you by the appropriate DOD activities on the same basis as to officers of the Services and members of their families. Before traveling, comply with the foreign Clearance Guide for clearance, passport, and immunization requirements. Immunizations may be obtained at the nearest armed services hospital or dispensary. Travel is necessary in the military service. Authority: DOD 4515.13R. Nonreimbursable traffic:

Representative George Miller
Representative Bruce F Vento
Representative Peter A DeFazio
Representative Wayne Owens

Committee Staff

Mr. Richard Agnew
Mr. Henry Smith
Ms. Sharon Kirby
Mr. Daniel Adamson
Mr. Danile Beard
Mr. Dale Crane
Mr. Mark Trautwein
Mr. Jeffrey Petrich

BY ORDER OF THE SECRETARY OF THE AIR FORCE




WILLIAM O. NATIONS, Colonel, USAF
Director of Information Management
and Administration

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DEPARTMENT OF THE AIR FORCE
WASHINGTON DC, 20330-1000

SPECIAL ORDER 17 May 1989
TA-3554

The verbal orders of the SAF, 5 May 89, are confirmed:
"Each of the following, is authorized to travel on 5 May 89 by military aircraft from Wash DC to Cordova and Valdez, AK, for 5 days, in connection with official business of the Speaker of the House (31 U.S.C. 1108(g), and upon completion will return to Wash DC. Travel is necessary in the military service. Authority: DOD 4515.13R. Nonreimbursable traffic:

Mr. Danny Weiss, Press Assistant, Office of Representative Miller
Mr. Jack Russ, Sergeant at Arms
Ms. Geraldine C Lyda, Office of Official Reporters to Committees, Office of the Clerk"

BY ORDER OF THE SECRETARY OF THE AIR FORCE




WILLIAM O. NATIONS, Colonel, USAF
Director of Information Management
and Administration

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DEPARTMENT OF THE AIR FORCE
WASHINGTON DC, 20330-1000

SPECIAL ORDER
TA-3553

17 May 1989

The verbal orders of the SAF, 5 May 89, are confirmed: "Ms. Valerie Stackhouse, Staff, House Committee on Interior and Insular Affair is authorized to travel on 5 May 89 by military aircraft from Wash DC to Cordova, Valdez, AK for 5 days, in connection with official business of the House Committee on Interior and Insular Affairs (HIIA) (31 U.S.C. 1108 (g) and upon completion will return to Wash DC. Travel is necessary in the military service. Authority: DOD 4515.13R. Nonreimbursable traffic."

BY ORDER OF THE SECRETARY OF THE AIR FORCE




WILLIAM O. NATIONS, Colonel, USAF
Director of Information Management
and Administration

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AK

ONE HUNDRED FIRST CONGRESS

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GEORGE MILLER, CALIFORNIA
PHILIP R. SHARP, INDIANA
EDWARD J. MARKEY, MASSACHUSETTS
AUSTIN J. MURPHY, PENNSYLVANIA
NICK JOE RAHALL II, WEST VIRGINIA
BRUCE F. VENTO, MINNESOTA
PAT WILLIAMS, MONTANA
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RON DE LUGO, VIRGIN ISLANDS
SAM GEJDENSON, CONNECTICUT
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BILL RICHARDSON, NEW MEXICO
GEORGE (BUDDY) DARDEN, GEORGIA
PETER J. VISCLOSKY, INDIANA
JAIME B. FUSTER, PUERTO RICO
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JIM LIGHTFOOT, IOWA

## COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515

STANLEY SCOVILLE
STAFF DIRECTOR
AND COUNSEL

ROY JONES
ASSOCIATE STAFF DIRECTOR
AND COUNSEL

LEE McELVAIN
GENERAL COUNSEL

RICHARD AGNEW
CHIEF MINORITY COUNSEL

May 4, 1989

The Honorable Richard Cheney
Secretary of Defense
Department of Defense
The Pentagon
Washington, D.C. 20302-10000

Dear Mr. Secretary:

This is to inform you that the Members and staff of the Committee on Interior and Insular Affairs on the attached Passenger Manifest are authorized to travel on Department of Defense aircraft on an oversight inspection trip to Cordova and Valdez, Alaska, from May 5 through 9, 1989 in connection with the recent oil spill in Prince William Sound, Alaska. The Congressional Delegation conducting the trip will be led by the Honorable George Miller, Chairman of the Subcommittee on Water, Power and Offshore Energy Resources.

In addition, authorization is being provided to you by separate letter from the Honorable Jamie Whitten, Chairman of the House Committee on Appropriations, for Congressman Richard J. Durbin to accompany the delegation. Also, authorization is being provided by separate letter by the Honorable Jim Wright for the Honorable Jack Russ, Sergeant at Arms of the House of Representatives, and Ms. Geraldine C. Lyda of the Office of Official Reporters to Committees, in the Office of the Clerk, to travel with the delegation.

I appreciate all the assistance that the Department of Defense has provided in connection with this oversight inspection trip.

Sincerely,

Mo Udall

MORRIS K. UDALL
Chairman

Enclosure: Passenger Manifest

PASSENGER MANIFEST

INTERIOR COMMITTEE MEMBERS AND STAFF
PARTICIPATING IN ALASKA TRAVEL - MAY 5-9, 1989

1. Congressman George Miller
2. Congressman Bruce Vento
3. Congressman Peter DeFazio
4. Congressman Wayne Owens
5. Rick Agnew
6. Dale Crane
7. Valerie Stackhouse
8. Jeff Petrich
9. Dan Adamson
10. Sharon Kirby
11. Dan Beard

As of 1800 : 5/4/89

The Speaker's Rooms
U.S. House of Representatives
Washington, DC 20515

May 4, 1989

Hon. Richard Cheney
Secretary of Defense
Washington, D.C. 20301

Dear Mr. Secretary:

This will authorize the following staff to travel with CODEL Miller to Cordova and Valdez, Alaska, May 5-9, 1989.

Jack Russ, Sergeant at Arms
Danny Weiss, Press Assistant, Office of Congressman George Miller
Geraldine C. Lyda, Office of Official Reporters to Committees,
Office of the Clerk

The purpose of the trip is to inspect the recent oil spill in Prince William Sound. In addition, the Subcommittee on Water, Power and Offshore Energy Resources will be holding field hearings on the spill and its aftermath.

Expenditure of funds for the payment of actual and necessary expenses and such transportation as may be required is authorized by 31 U.S.C. 1108(g).

Thank you for your assistance, and best wishes.

Sincerely,

Jim Wright
The Speaker

cc: Hon. Donn Anderson, Clerk, U.S. House of Representatives

MORRIS K. UDALL, ARIZONA, CHAIRMAN

**COMMITTEE ON INTERIOR AND INSULAR AFFAIRS**

US HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515

STANLEY SCOVILLE
STAFF DIRECTOR
AND COUNSEL

ROY JONES
ASSOCIATE STAFF DIRECTOR
AND COUNSEL

LEE McELVAIN
GENERAL COUNSEL

RICHARD AGNEW
CHIEF MINORITY COUNSEL

April 20, 1989

The Honorable Richard B. Cheney
Secretary
Department of Defense
Washington, D.C. 20301-1155

Dear Mr. Secretary:

I am writing to request Department of Defense transportation and other support for a congressional oversight field inspection trip to Alaska early next month to be conducted by a delegation of Members of the Committee on Interior and Insular Affairs.

The purpose of this trip will be to carry out the oversight responsibilities of this Committee regarding matters related to the oil spill in Prince William Sound, Alaska; the operation of the Trans-Alaska pipeline; and the effects of the spill on the nation's public lands resources and the users of those resources.

This oil spill is having a profound effect not only on conservation system units in Alaska, but also on the food chain, subsistence users, and the local, state, and national economies. In addition, our nation's present and future energy security, particularly as it relates to oil and gas development on public lands and on the outer continental shelf in Alaska and elsewhere, may be affected by the oil spill and the resultant public and congressional reaction to it.

The tentative itinerary for this trip calls for the delegation, expected to be comprised of between 15 to 20 Members and staff and headed by the Honorable George Miller, Ranking Member of this Committee and Chairman of the Subcommittee on Water, Power and Offshore Energy Resources, to depart Washington, D.C. on Thursday, May 4, and return Tuesday, May 9, 1989. While in Alaska, the Committee will likely travel to Cordova, Valdez, Anchorage and possibly Juneau.

Because of the complicated and tight schedule, the long distances involved, and lack of available commercial airlines serving some

of the areas to be visited, it appears that the most efficient and effective way to conduct this trip is through the use of air and ground transportation support provided by the Department of Defense.

I would, therefore, appreciate Department of Defense assistance in providing aircraft and other resources needed to conduct this oversight inspection trip. In addition to transportation assistance, I request that your Department provide for the payment of actual expenses as may be necessary or incurred during the trip as authorized by Section 1108(g) of Title 31 of the United States Code.

Sincerely,

MORRIS K. UDALL
Chairman

# RESTRICTED

**UNITED STATES HOUSE OF REPRESENTATIVES**

**COMMITTEE ON INTERIOR AND INSULAR AFFAIRS**

**MISSION TO CORDOVA AND VALDEZ, ALASKA**

**MAY 5-9, 1989**

**TENTATIVE ITINERARY**

**FRIDAY, MAY 5**

| | |
|---|---|
| 7:15 am | Staff members arrive at Rayburn House Office Building (RHOB) horseshoe |
| | --Baggage tagged and loaded |
| 7:30 am | Members picked up at home by DoD car--proceed to Andrews AFB DV lounge |
| 7:45 am | DoD bus departs RHOB horseshoe |
| 8:30 am | Delegation arrives Andrews AFB DV lounge |
| 9:00 am | Depart Andrews AFB via C-9 aircraft (3+25) |
| | --Breakfast<br>--Set watches back 1 hour |
| 11:25 am | Arrive Minot AFB, North Dakota |
| | --Refuel |
| 12:15 pm | Depart Minot AFB (4+30) |
| | --Lunch<br>--Set watches back 3 hours |
| 1:45 pm | Arrive Cordova Airport |
| | --(Limitation: Airport attended 0700-1700) |
| 2:30 pm | Depart Cordova Airport via local ground transportation (Aircraft will proceed to Elmendorf AFB in Anchorage) |

| | |
|---|---|
| 3:00 pm | Arrive Reluctant Fisherman Motel or assigned housing<br><br>--Baggage distribution<br>--Control room established in Reluctant Fisherman |
| 5:30 pm | Delegation departs for dinner |
| 6:45 pm | Delegation arrives Cordova High School |
| 7:00 pm | Town Meeting |
| 9:00 pm | Town Meeting adjourned<br><br>--Return to motel |

**SATURDAY, MAY 6**

| | |
|---|---|
| 7:15 am | Baggage pickup |
| 7:30 am | Group A (Members and selected staff) depart for overflight of spill area and inspection of clean up activities<br><br>--Via USCG helicopters |
| 8:00 am | Group B (remainder of staff) departs motel<br><br>--With Group A & B baggage |
| 8:30 am | Group B arrives Cordova Airport |
| 9:00 am | Group B departs Cordova (0+25)<br><br>--Via USCG helicopter |
| 9:25 am | Group B arrives Valdez Airport<br><br>--(Limitation: Airport attended 0800-1630)<br>Daylight VFR only |
| 9:40 am | Group B depart Valdez Airport via USCG transport |
| 10:00 pm | Group B arrives Village Inn Motel or assigned quarters<br><br>--Distribute baggage<br>--Establish Control Room |
| 12:30 pm | Group A arrives Valdez Airport |

12:45 pm Group A departs Valdez Airport

1:00 pm Delegation arrives USCG Facility

--Lunch hosted by VAdm Rawlings

2:00 pm Briefing on status of clean up efforts

--Alaska DEC

3:00 pm Briefing on status of clean up efforts

--Federal Agency Officials

4:00 pm Briefing on status of clean up efforts

--Exxon

---

4:00 pm Congressman Vento and party departs for Valdez Airport

--USCG ground transportation

4:30 pm Vento party departs for Anchorage (USAF C-12?)

---

5:00 pm Delegation tour of mammal and bird rescue centers

6:00 pm Return to motel

6:45 pm Depart motel for dinner

SUNDAY, MAY 7

7:30 am Breakfast

9:00 am Depart motel

9:30 am Tour of Alyeska Pipeline facilities

11:30 am Lunch

12:45 pm Delegation arrives Valdez Civic Center

1:00 pm Hearing--Subc on Water, Power and Offshore Energy Resources

--Chair: CM Miller

4:30 pm Recess

--Press availability

5:15 pm Return to motel

6:30 pm Depart motel for dinner

**MONDAY, MAY 8**

7:30 am Breakfast

--Check out
--Baggage to control room

8:30 am Depart

---

8:30 am Congressman Vento and party arrive at Valdez Airport

--Coast Guard transportation to Civic Center

---

8:45 am Arrive Civic Center

9:00 am Hearing resumes

11:30 am Hearing adjourned

--Press availability

1:00 pm Delegation departs Civic Center

1:15 pm Arrive Valdez Airport

1:30 pm Depart Valdez Airport via C-130 aircraft (0+40)

2:10 pm Arrive Elmendorf AFB

--Refuel
--Upload baggage

2:40 pm Depart Elmendorf AFB via C-9 aircraft (4+15)

--Dinner
--Set watches forward 3 hours

9:55 pm Arrive Minot AFB, North Dakota

10:15 pm Arrive at base quarters

**TUESDAY, MAY 9**

| | |
|---|---|
| **5:15 am** | **Baggage call** |
| **5:40 am** | **Depart base quarters** |
| **6:00 am** | **Depart Minot AFB (3+00)** |
| | **--Breakfast**<br>**--Set watches forward 1 hour** |
| **10:00 am** | **Arrive Andrews AFB** |
| **10:30 am** | **Depart for RHOB horseshoe** |
| **11:15 am** | **Arrive RHOB** |

MILITARY TRANSPORTATION PROVIDED:

C-9, 16.0 hours @ $1834/hour

RICHEY, MUNROE, FINE, GOODMAN & ARMSTRONG, P.A.
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SAMUEL D. ARMSTRONG
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ALAN S. FINE
JONATHAN GOODMAN
KIRK W. MUNROE
WILLIAM L. RICHEY
JUAN J. RODRIGUEZ
ANDREW P. TETZELI

November 19, 1991

The Honorable George Miller
House Committee on Interior
& Insular Affairs
1324 Longworth House Office Building
Washington, D.C. 20515-6201

**Re: Hamel as an Extortionist**

Dear Chairman Miller:

In the course of my November 5, 1991 testimony during the oversight hearing held by the House Committee on Interior and Insular Affairs on the Alyeska Pipeline Service Company ("Alyeska") covert operation, you raised a question regarding my statement that Mr. Charles Hamel was an extortionist. I agreed to identify references in The Wackenhut Corporation's tape recordings and other materials that supported my statement.

In this letter I present a brief narrative summary of the evidence indicating that Mr. Hamel's activities constitute extortion. There are additional instances not mentioned here. I do not bother you with all of the material. Copies of particularly important supporting documents, all of which have been produced to the committee in this proceeding, have been appended for your convenience. In the case of tape recordings, references are to the enhanced version of the transcripts provided to the Committee earlier this week.

I can state that much of this material, in the form of documents and actual tapes, was seen by me before the investigation was halted. However, it is not possible at this juncture to separate out precisely each of those documents from those that I reviewed in the course of preparing my testimony.

A very important aspect of the evidence is Mr. Hamel's demeanor, his tone of voice and his choice of expression in the recordings. As an experienced prosecutor, I believe those factors would be particularly powerful evidence against Mr. Hamel.

A brief description of what the term "extortion" encompasses is in order. Extortion involves the extraction of money or other valuable consideration under the threat of harmful action by the extortionist. The threatened action may take many forms, including economic injury. The threat of informing against violations of the law, or blackmail, may also constitute extortion, since economic injury can obviously result. It is not a defense if the extortionist believes he has a right to the money he demands -- rather, it is the intent to compel the victim to part with his money that defines the crime. The benefit need not flow to the extortionist himself, as long as it causes a loss to the victim. The perpetrator may well have motives in addition to financial gain, such as revenge; but as long as he intends to coerce a payment using threats, those threats constitute extortion.

As early as 1985, Mr. Hamel, through his attorneys, had been threatening various sorts of harm to Alyeska and offering to refrain if he were paid a "settlement" of approximately $12 million. While his demands generally included other items as well, a cash payment was always an essential part of the package. Mr. Hamel apparently viewed this payoff as compensation for alleged harms done to his business by Alyeska and its owners. Mr. Hamel made clear that unless he were paid, he would cause to be instituted civil and administrative litigation of various sorts, stage a media campaign, and use his alleged influence with certain Congressmen to initiate Congressional hearings or other governmental action (Tab 1 at F2R502557-560, F2R502564-565). Viewing this proposal as an attempt by Mr. Hamel to enrich himself by improper means, Alyeska and its owners declined Mr. Hamel's offer.

In August 1988, an administrative law judge of the Alaska Public Utilities Commission (APUC) concluded, after a thorough investigation, that Mr. Hamel's claims were unsubstantiated. The APUC subsequently dismissed his complaint (Tab 2). Nonetheless, Mr. Hamel continued to press his demands, though he admitted that they "could have the earmarks of extortion" (Tab 3 at F2R502587). By May 1990, Mr. Hamel and his attorneys had progressed to the point of demanding further negotiations "if you want us to stop reading your mail" (Tab 4 at F2R502917). Mr. Hamel was clearly prepared to use the confidential information obtained from his sources within Alyeska to force the company to consent to his financial and other conditions.

Mr. Hamel's conversations with the Wackenhut investigators confirmed this pattern: a determination to harass Alyeska in a variety of ways, using his alleged government connections and his

access to confidential information, until the company met his demands. Mr. Black reported that on May 16, 1990, Mr. Hamel asserted: "when they pay me the money they owe me, I will just go away" (Tab 5 at F2R413256). The payoff amount, however, had grown since 1985: now "Hamel would mention that for $18 million and the other things he wanted, he would simply go away and forget the whole thing" (Tab 6 at F2R444956).

Mr. Hamel's own words, in his recorded meetings with the investigators, bear out Mr. Black's report. For example, on August 18, 1990, Mr. Hamel emphasized that he wanted to play a visible role in any action by the Ecolit Group so that the oil companies would perceive that action as pressure to pay him and not simply environmental activism (Tab 7 at F2R416346):

MR. BLACK: And if they certify the question, then they can have a judge ask it. But the point is, there's no reason for you to be a party.

MR. HAMEL: For me -- I don't like the other guys that --

MR. BLACK: Oh, you want to be a party.

MR. HAMEL: I want them to know it's me. So. Maybe --

MR. BLACK: Do you think that -- Well, let me ask you a question. Do you think it's those kinds of things that -- being party to a suit, that's going to get them to pay you quicker?

MR. HAMEL: No, I think that when they know it's me that's done this to them, they're going to pay me quicker.

Mr. Hamel made it very clear that creating various sorts of trouble for the company was his best method of achieving a payoff. He claimed that such trouble would cease only when he was paid off in some fashion (Tab 9 at F2R416354-355).

MR. HAMEL: . . . my partners have been approached by the oil guys saying, "What the hell does it take to get rid of Hamel? You know, why does he do this to us? We're not" -- My partner says, "I don't know why the hell he does it for. You screwed him, you know. You pay him, he'll be happy.

So now they're talking about -- I don't know how they do it, but somehow, they'd give me a little more money than they'd give -- you know, BP, ARCO and Exxon are all together in this deal to buy me out of the land deal, so they'd find some gimmick where they'd pay me a little extra -- a lot extra -- my partner would get this -- I'd get this plus something extra . . . .

. . . But I find that if I don't keep hurting their eyeballs, they'll dilly-dally with finding a solution, and I'm 60, and I'm tired, and I'm worn out. So I figure every time I do something, it puts it back on the front burner. They say, "That damned Hamel." _____ eight major oil companies, I work in a couple billion dollar settlement with Julian Mason, who they know is my attorney, and they wish to hell I'd get out -- it's the top attorneys for these companies, and outside attorneys, who are negotiating this thing.

If I keep goosing it, and I get to about -- I figure October, November, they're going to finally make that settlement.

Whether or not Mr. Hamel took a sincere interest in the environment, his actions to harass Alyeska were undertaken with a cash payment to himself in view (Tab 10 at F2R416386).

MR. HAMEL: Now, here is what you are going to have when I make my peace, if I ever make my peace with them and they pay me. What they are paying me for is not the environment. They are paying me for my

water in the oil. That is all I want from them.

Despite Mr. Hamel's mention of other demands, it is clear that the money was the crucial factor: "I will be out of the Alyeska picture when they pay me" (Tab 10 at F2R416384). In the meantime, Mr. Hamel proposed to use his influence in government and the media to thwart the oil companies in unrelated matters until they capitulated: "Once I hit them hard with the next few months with what I am doing and the task force gets operating, they can't get anywhere, they can't get Arctic National Wildlife Refuge without it, and I think they will shape up" (Tab 10 at F2R416387).

Mr. Hamel's own words establish that he deliberately set out to cause problems for Alyeska and the Owner Companies in any way he could, in order to induce them to pay him a large sum of money to which it had already been established that he had no right. Even under a veneer of concern for the environment, such manipulations, aimed at personal gain, constitute extortion.

I respectfully request that this letter and attachments be included in the official printed record of these hearings.

Sincerely,

RICHEY, MUNROE, FINE, GOODMAN
& ARMSTRONG, P.A.

William L. Richey, Esq.

STATE OF FLORIDA
COUNTY OF DADE

Sworn to and subscribed before me,
the undersigned authority, this
19th day of November, 1991.

Notary Public, State of Florida
My commission expires:

Karen J. Gackle, Notary Public
Dade County, State of Florida
My Commission Expires Dec. 4, 1993

## DOCUMENTS RELATING TO EXTORTION ISSUE

| Tab | Date | Pages (Enhanced Transcript) | Pages (Original Document) | Document |
|---|---|---|---|---|
| 1 | 5/15/85<br>1/09/86 | | 502557-563<br>502564-565 | O'Connell memorandum<br>O'Connell memorandum |
| 2 | 8/10/88 | | | APUC orders (citations only) |
| 3 | 6/23/88 | | 502584-87 | O'Connell memorandum |
| 4 | 5/01/90 | | 502915-921 | Heller, Ehrman memorandum |
| 5 | 5/18/90 | | 413253-60 | Black memorandum |
| 6 | 6/05/90 | | 444956-58 | Black memorandum |
| 7 | 8/18/90 | 416346 | 412107 | Transcript (Ex. 21) |
| There is no Tab 8. | | | | |
| 9 | 8/18/90 | 416354-55 | 412113-14 | Transcript (Ex. 21) |
| 10 | 8/18/90 | 416384-87 | 411235-39 | Transcript (Ex. 22) |

ATTACHMENT 1

LCV
QUINN's draft

MEMO ON MEETING WITH HAMEL'S ATTORNEYS

On Tuesday, May 14, 1985, at 4 p.m., Ken Fountain and Quinn O'Connell met with David Barmak (of the Washington firm of Sherman, Fox, Meehan and Curtin), Angus Macbeth and Sam Gutter (of the Washington firm of Bergson, Borkland, Margolis and Adler). Barmack has apparently represented Charles Hamel in various matters over the course of several years. Macbeth and Gutter represent Hamel before the Environmental Protection Agency (EPA) with respect to his Notice of Intent to file a citizen's action charging the TAPS owners with violations of the terms of the National Pollutant Discharge Elimination System (NPDES) Permit which controls the discharge of effluents into the waters at Port Valdez, Alaska. Apparently, Macbeth and Gutter would represent Hamel in any ensuing litigation involving environmental issues.

Mr. Barmak opened the meeting with a recital of various actions which Hamel is contemplating to ensure that the TAPS owners cease the violations of law which he believes are occurring. These contemplated actions were grouped by Mr. Barmak into three areas -- litigation, legislative and media.

Litigation. In addition to the citizen's suit charging violations of the terms of the NPDES permit which can be filed on or after May 27, 1984, Hamel is prepared to take the following actions:

a. Request the APUC to open an investigative docket to determine if the TAPS carriers are violating their tariffs by accepting oil with excessive water content. This request

would be based upon additional information which has become available since the recent hearings before the APUC. Hamel also anticipates that the FERC would initiate a similar investigation with respect to the interstate tariffs of the carriers.

b. File a civil suit charging that the TAPS owners are violating the Federal Water Pollution Control Act (commonly referred to as the Clean Water Act) in that they are only applying "best practicable control technology" (BPCT) rather than "best available control technology" (BACT).

c. File a lawsuit charging violations of the Clean Air Act because of hydrocarbon emissions from the Valdez storage tanks.

d. File a lawsuit charging that the owners have disposed of hazardous substances in violation of the Comprehensive Environmental Response Compensation and Liability Act. (CERCLA or Superfund)

e. Charge the companies with violations of the Environmental Stipulations in the Department of the Interior Agreement and Grant of Right-of-Way. Presumably, this would be done in a lawsuit or a petition to the Interior Department.

f. Charge that there were significant securities law violations in the financing of the Valdez terminal. Again, this would presumably involve a lawsuit or a complaint to the SEC.

Legislative Actions. Barmak indicated that Hamel has close relationships with Senator Weicker (R. Conn.) and Senator Dodd (D. Conn.) both of whom have offered to assist him in his efforts. Hamel has also met with staff members of the House Energy and Commerce Committee (Cong. Dingell, Chairman) who have indicated an interest in Hamel's allegations. Through these contacts, Barmak indicated that congressional hearings or letters to federal agencies could ensue.

Media. Hamel has been approached by the Wall Street Journal, The New York Times, and one of the networks seeking further information about his allegations and actions. Barmak implied that this media interest in Hamel's allegations could lead to unfavorable publicity for the companies.

To settle all existing and potential controversies between Hamel and the TAPS owners, the following proposal was made:

1) Hamel had been earning 1 to 1-1/2 million dollars a year prior to being forced out of the transportation brokerage business four to five years ago. This loss of business was caused by excess water content in shipments of oil from Valdez and the failure of the oil companies involved with TAPS to acknowledge the existence of such excess water or to supply him with other information which he regarded as necessary to protect his interests. In the past four to five years, Hamel has spent between $400,000 and $500,000 per year investigating the water in oil issue and the environmental problems he learned of in the course of his efforts. Hamel wants to be compensated for his



loss of income and investigatory costs.

2) Hamel wants the companies to work with him in making sure that his environmental concerns are satisfied.

3) To compensate him and pay for his assistance, he wants $12 million.

In return, Hamel will not take any of the actions listed above and he would withdraw the protest presently pending before the APUC. He recognizes that there would still be two matters pending over which he has no direct control. The first is the EPA investigation which was prompted by his Notice of Intent to file a citizen's suit. However, if a settlement is reached, Hamel would approach the EPA and tell them of the companies' cooperation in solving the alleged violations. Such efforts should satisfy EPA's concerns. Second, he has no control over the Cordova District Fisheries' United which has filed notice that it would join in Hamel's citizen's suit. However, Mr. Barmak suggested that the cooperation of the companies to correct the alleged environmental problems, and, perhaps, the funding of a fish hatchery or something of like nature would probably satisfy the Cordova District fishermen.

Hamel's attorneys said they wanted an answer to their proposal by the end of the week. We told them that it would be impossible to convey the offer and get a response from the eight owner companies in that short of time. We left it that we would get back to them as soon as possible.

Phone call
Quinn O'C 5/16/75

5/15 - re's WWW LEVI

Re Meeting by Comm & ICF Fountain w/ Hamilton attorneys -

1. Angus McEachen from Justice - Hamilton regular D.C. attorneys
2. David Barnum (Cap'l), Wm. Hamilton, Wm. real "personal" lawyer who did the talking

Advised several "other things" Hamilton plans after NPDES/ERA - 3 areas (see below) - was not specific as to basis action noted

1. LITIGATION
   a. Issue of tariff violations
   b. (Water content violations)
   c. Probably go to FERC
   d. Pertinent violation - when got Permit was told request was not practicable because LATER. Clean Air Act Amendments changed to best available - Have Contract clause in Corps dumping permit.
   e. Violating Clean Air Act by emitting hydrocarbons from Tanks.
   f. Also Grant Environmental Stipulations being violated

(Continued) ↓

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f. Executive Session scheduled for financial statement
g. Violated Circle. (This is Superfluous we think the writer have meant NICRA.

2 Legislative

Sen Weicker is done for and I will do what he can to help Hassel - also Sen Chris Dodd -
[We don't know what this is]

3. NEBIA - Gives

Advises WIS, NY Times + a National (probably ABC) and Chicago news + News Notes to be "selected by Virginia" -

4 Named "agents"

a. Money for Law of Campaign for Presidency (Illegal)
b. Money spent in other states for use in Investigations (Ohio, Mo-Star, Mo Open)
c. Will take 12 M.C. on Cuba

F2R502562

Is [illegible] willing (formal) to
"clean up our act"
IN letter (formal invited
a. Council" has NPC entering
formal file, EPA suit.
b. Coalition (Jackman, Hume
"not involved" direct results
talk to them + feels
they would accept a
BS [illegible] environmentally
formed or a vested fish
[illegible]

Business Domestic Issues
a. Best available of boat
practicably
b. Alaska Bay cases use
the incinerator (to
dump sludge)
c. Sludge issue - have
"just fed" in system
d Clear the air matters

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MEMORANDUM

To : Kenneth P. Fountain
From : Quinn O'Connell
Subject: Proposal by Chuck Hamel's Attorneys
Datee : January 9, 1986

Sam Gutter, an attorney with the Washington, D.C. law firm of Bergson, Borkland, Margolis and Adler who represents Chuck Hamel, called me at approximately 6 p.m. on Wednesday January 8, 1986. He said he had met with Hamel earlier in the day and that he, Gutter, and another of Hamel's attorneys, David Barmak, had some thoughts about resolving the controversy between Hamel and the TAPS owner companies. He said he was aware of Hamel's call to me on the night of December 29 during which Hamel had said he had 32 witnesses willing to testify about Alyeska's permit breaches and other violations of the law. Gutter said Hamel was pulling together all of his evidence, i.e. documents and digests of witnesses' testimony 1/ and he wanted to know whether I would like to look at this material. He said he would make it available for review - with no notes taken and no copies made so long as I could assure him that the companies did not have a closed mind on reaching a settlement agreement.

I said Hamel had told me that his witnesses were willing to testify before a grand jury and that if criminal conduct was being alleged, I would not be party to any discussions and Hamel had better talk to the proper authorities. Gutter assured me that Hamel had been convinced by his attorneys that allegations of criminal conduct were not involved and there was no intention to pursue that route.

I also asked what Hamel was proposing to do as his part of any settlement. Gutter said Hamel would discontinue all efforts to discredit Alyeska's operations. This would include terminating the APUC inquiry into "water in oil," persuading congressional committees to forego hearings, calling off the

---

1/ He later said the names of the witnesses would not be revealed but he would assure me that they were real and willing to testify.

current GAO investigation, and not pursuing administrative or court actions with respect to his allegations of misconduct in operating the BWT facility and other allegations which he is prepared to make, e.g., air emission violations at the terminal.

I said that if the proposal to review the documents was authorized by the companies, I would want to have at least one other person with me. He said this was no problem, that it would probably take a few hours to review the material, after which he would like to get our views as to whether we thought pursuit of settlement was at all feasible.

When I asked whether any of the material had been given to any of the investigating agencies or congressional committees, Gutter said he did not think so but he would find out.

I told him I would convey his proposal to the companies and get back in touch with him.

cc: H. E. Bond
G. M. Nelson

ATTACHMENT 2

*See:* **Order Issuing Decision of Administrative Law Judge and Setting Schedule for Comments, Order No. 9,** ***In the Matter of the Filing of a Tariff Revision, Designated as TL8-310, by Phillips Alaska Pipeline Corporation for Shipment Quality Provisions and the Investigation of the Shipment Quality Provisions in the Tariffs of Amerada Hess Pipeline Corporation, ARCO Pipe Line Company, BP Pipelines Inc., Exxon Pipeline Company, Mobil Alaska Pipeline Company, Sohio Pipe Line Company and Union Alaska Pipeline Company Relating to Intrastate Transportation of Petroleum Over the Trans Alaska Pipeline System,*** **No. P-84-2, slip op. (Alaska Public Utilities Commission Aug. 10, 1988).** [The decision of the Administrative Law Judge is appended.]

**Order Modifying Decision of Administrative Law Judge; Requiring the Filing of Revised Tariff Rules; Allocating Costs; and Closing Docket, Order No. 11,** ***In the Matter of the Filing of a Tariff Revision, Designated as TL8-310, by Phillips Alaska Pipeline Corporation for Shipment Quality Provisions and the Investigation of the Shipment Quality Provisions in the Tariffs of Amerada Hess Pipeline Corporation, ARCO Pipe Line Company, BP Pipelines Inc., Exxon Pipeline Company, Mobil Alaska Pipeline Company, Sohio Pipe Line Company and Union Alaska Pipeline Company Relating to Intrastate Transportation of Petroleum Over the Trans Alaska Pipeline System,*** **No. P-84-2, slip op. (Alaska Public Utilities Commission Jan. 12, 1989).**

ATTACHMENT 3

JUN-23-'88 18:06 ID:CONNOLE-O'CONNELL TEL NO:202-833-8082 #449 P01

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**TELECOPIER TRANSMITTAL SHEET**

George Nelson
Alfred T. Smith
Ivan Henman

To: Larry Valmert Date: 6-23-88

From: Quico O'Connell Time: 5:40 pm

Number of Pages to Follow: 3

Message: _____

If there is a problem with the transmission, please call: (202) 293-7909.

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MEMORANDUM

TO: George M. Nelson
FROM: Quinn O'Connell
DATE: June 23, 1988
RE: Visit From Chuck Hamel

Chuck Hamel called me last week and set up an appointment on the afternoon of Monday, June 20. He said a number of developments were taking place and he wanted to bring me up to date. He particularly asked whether I was in a position to convey information to the TAPS owner companies and to executives of the parents of the owner companies. I assured him that I could transmit information to anyone at any level in the owner and parent companies if it warranted their attention.

Chuck arrived at 2 p.m. on Monday and stayed about two hours. His so-called presentation was, as usual, unstructured and rambling. He repeated many of the allegations he has raised in the past, including: dumping of toxic sludge in Valdez Harbor from the BWT plant; the inadequacy of the biological treatment system ("It's really an air sparging system that puts BETX into the atmosphere"); air quality violations resulting from the faulty, or non-operating, vapor recovery system at the terminal ("There is also a movement afoot to insist upon recoupment of vapors off tankers."); the Prudhoe Bay operators (mainly ARCO, but Standard is also involved in similar practices) consistently by-pass their accounting meters in order to inject large amounts of water into the system at the Crude Oil Topping Unit ("up to 1888 barrels of water are being injected each day"); the Prudhoe Bay operators also are responsible for spilling oil, for injecting all kinds of waste matter into the pipeline system, for burning everything and anything in the flare pit ("EPA says it is going to investigate to see if improper substances are being burned"), and for falsifying records.

He says his sources are former and present employees of Alyeska and the producers as well as other interested individuals. He says he gets phone calls all the time from persons who vouch that these dire things have occurred. When I asked whether they called him collect, he said they did most of the time. He also volunteered that his answering service is programmed to accept collect calls when he is not there. I did not inquire how this was done but I did suggest that I might be

able to round up several hundred people who would be willing to place collect calls to him. He further reported that he has begun getting several calls from environmental and other groups offering legal and public relations assistance. He says he's not accepting such help at this time. He feels he's gone this far on his own and he wants to try to keep it that way. At one point, he said he was happy that his Alaska lawyer, Doug Bailey, was back at work after a year's sabbatical.

He said he is directing most of his attention to getting his message to Congress and that he feels comfortable working in that environment because of his experience there. He said various members are showing a keen interest in the environmental record of the pipeline and the production areas in Alaska because of the ANWR legislation. He understands that members are being told by various agencies that Alyeska does not always tell the truth. In addition, investigators are telling Congress that BLM is not monitoring Alyeska's operations (although required to do so) because of an overly friendly relationship between the BLM and the industry.

Other incidental items he reported were:

1) He has been obtaining evidence from unnamed witnesses that large amounts of water are being injected into the pipeline and that the industry witnesses perjured themselves in the APUC hearings.

2) Hugh Morrell of Libertyville, California, who was a loanee to Alyeska from Exxon, initiated the falsification of BS&W and effluent content reports sent to EPA. Morrell and the Terminal Superintendent at the time set the pattern for falsifying records.

3) He has evidence that flatfish near the BWT outfall are dying because of exposure to sludge. He says the evidence needs to be corroborated by tests which he says will be conducted in the near future. (He intimated that Riki Ott would be involved in the tests.) The reason earlier tests by others have not turned up this information is that they did not know where to take samples. In contrast, his cohorts know what locations to sample.

There are two major pieces of information Chuck wanted me to convey. First, he says there will be a concerted demand to require TAPS to cease accepting NGLs during the time that the VRSs are shut down for repairs. He estimates this will cost the producing companies $188 million in lost revenues.

Second, there is an extremely grave risk that the pipeline will suffer substantial damage from explosions due to faulty maintenance and operation. He said the pipeline has almost blown

up on two occasions. When I said the pipeline has already suffered damage from explosions at Pump Station 8 and Steel Creek, he said those are minor incidents compared with the risks now faced. I told him that if he had such knowledge he should report it to the Office of Pipeline Safety or another appropriate authority. He said all the agencies are in the oil industry's pocket and, therefore, it would do no good. He said he would like to show his evidence to a mutually acceptable objective expert in order for the expert to inform the companies that the risk is, indeed, real, but without revealing the evidence. Then, he and the companies could reach an agreement to solve the problem. However, he said this could appear to have the earmarks of extortion and, therefore, it might not be the right course of action. He said he would continue to think of a way to get the companies to cooperate with him to solve this great danger. I merely remarked that I thought his characterization of the scheme as possible extortion was appropriate. I urged him that, if what he knows is true, it would be unconscionable not to bring it to the attention of someone who could do something. I also asked where he got the information since, if he did not learn it first hand, others must be aware of the risk. He said minor employees of Alyeska were aware of the danger but he did not think anyone in middle or upper management know about it.

On that rather bizarre note, the meeting ended.

I have tried to make this report as factual as possible and to avoid editorializing. However, I keep having this recurring dream about Chuck in the guise of Chicken Little proclaiming "The sky is falling! The sky is falling!"

QO'C:deg
cc: A. T. Smith
Owners Committee
Legal Subcommittee
Ivan Herman
Larry Volmert

42; file —

ATTACHMENT 4

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Confidential & Privileged Lawyer-Client Communication

**M E M O R A N D U M**

TO: Alfred T. Smith, Esq.

FROM: Eric Redman ER

DATE: May 1, 1990

SUBJECT: Conversation With Julian Mason Regarding Charles Hamel

A. **Summary**

Julian Mason is Charles Hamel's lawyer and Doug Baily's former law partner. Julian recently asked me to make time for a talk with him. You agreed that I should do so. Julian and I spoke on Thursday, April 26. Although couched in the form of observations and advice, Julian's message seemed to be that (1) Mr. Hamel can and will continue to make life difficult (and expensive) for Alyeska, and (2) Alyeska should consider making some (unstated) payment to Mr. Hamel in return for Mr. Hamel's "early retirement" from his self-appointed role as Alyeska's nemesis.

B. **Background**

Julian Mason is the senior partner in the Anchorage law firm of Ashburn & Mason. His firm represents various plaintiffs in the Exxon Valdez litigation as well as Mr. Hamel. The firm name was Baily & Mason before Doug Baily became Attorney General. It is a small firm, among whose largest clients are Alascom and ENSTAR Natural Gas Company. Julian represents these clients before the Alaska Public Utilities Commission ("APUC").

Julian was my classmate at Harvard Law School (1975). So was Julian's wife, Margie MacNeille. Until 1989, Margie was General Counsel of Chugach Electric Association, the largest utility in Alaska. I have represented Chugach since 1985. Margie was the person who hired me to do so. Chugach and ENSTAR are traditional adversaries on natural gas matters. Margie therefore made it a practice not to advise Chugach on such matters, and natural gas became one of the major issues I handled for Chugach. This thrust me into professional combat with Julian as ENSTAR's lawyer.

In 1988, when our law firm was interested in opening an Alaska office, we had informal but extensive discussions with Baily & Mason about the possibility of that firm's lawyers joining us as our Anchorage office. At the time, both Chugach and ENSTAR were completing long-term natural gas contracts with Marathon Oil Company. Julian and I expected that one result of the new contracts would be that Chugach would cease being a customer of ENSTAR; the Chugach-ENSTAR feud would end with an amicable divorce. Julian and I believed this would eliminate the major obstacle to consolidation of our law firms, if the firms wished to consolidate. (At the

time, our firm did little work for Alyeska, I had heard nothing of Charles Hamel since his Capitol Hill days, and so the Hamel-Alyeska clash was not identified as a potential conflict.)

Julian later broke off discussions between the firms, apparently reluctantly, on grounds that unanticipated conflicts had cropped up. Immediately thereafter, and to the surprise of Chugach and Marathon, ENSTAR effectively declared war on Chugach. ENSTAR tried to block implementation of the Chugach-Marathon gas contract before the APUC, and demanded from Chugach--as the price of withdrawing its opposition to the contract--many millions of dollars that Chugach was strongly disinclined to pay.

A battle royal ensued before the APUC. In the end, our firm and Chugach prevailed against Julian and ENSTAR. (Other law firms could have won for Chugach; ENSTAR's position was outrageous.) ENSTAR's defeat was total and humiliating, leaving Julian depressed and, I thought, embittered against me and my firm. The experience also left our firm disenchanted with Julian and his firm. As a result, until our recent talk, I had not spoken with Julian since the APUC's final order was handed down in late 1989.

Several weeks ago, Julian suggested we should talk. He said he could give me valuable advice for Alyeska, and indicated it had something to do with Hamel. I temporized in response. Julian then sent word through an intermediary (Barbara Gruenstein) that "I have asked you to sit down and talk, and you would, if you want us to stop reading your mail." That got my attention, and yours, and you asked me to get back in touch with Julian.

C. What Julian Had To Say

The first portion of our talk was devoted to Hamel's grievance against Alyeska for "watered oil," which allegedly cost Hamel a multi-million dollar broker's commission. Julian asked what I knew of the controversy; I said I knew a little. Julian said that this had been his greatest defeat as a lawyer, because he and Hamel knew that Alyeska really had been responsible for the water. Julian's theory seemed to be that the produced water content of North Slope oil had proven excessive; that Alyeska "hid" this fact to help the Owners earn higher tariff revenues; that the BWT facility had somehow been used to dispose of the extra water [I confess the supposed mechanics of this elude me]; and that by mistake Alyeska had somehow left too much water in the oil that Hamel brokered.

Julian said that in uncovering the mechanics of Alyeska's fraud, Hamel learned of the BWT facility being misused to dispose of produced water, and, incidentally, other substances. From that point, Hamel actively investigated, met more Alyeska employees, and learned more of Alyeska's "illegal" practices, particularly at the BWT facility. In the meantime, contrary to Julian's and Hamel's expectations, Hamel's claims against Alyeska (or the Owners? or their affiliates?)--"which could have been settled very inexpensively at the time"--were not paid, and litigation apparently ensued. [You know more of this than I, and Julian didn't discuss it at length.]

Now, according to Julian, "Hamel will cost Alyeska at least $500,000,000 before he's through." Julian said Hamel's next big



TAPS02918

attack on Alyeska will be in the area of worker exposure to benzene and toluene and the health problems that have allegedly resulted therefrom. Julian implied that Hamel is the source not only of material adverse to Alyeska being reported in the press, but also the instigator of the articles themselves (e.g., the Wall Street Journal article).

Julian said that Hamel's sources--the way he gets our mail, and not just information--are disgruntled lower level employees at the Terminal and in Anchorage. These are people who did not like George Nelson or Ivan Henman. Julian acknowledged that there have been changes at Alyeska that have made a difference, and that there are now fewer disgruntled employees, meaning that Hamel has somewhat fewer sources than before. He is still regarded as a hero and confessor by many, however.

Julian stressed that he personally "no longer has any problems with" anyone at Alyeska. He called Henman a consistent liar, incapable of telling the truth, and claimed that Henman's lying drove many employees to Hamel. (I defended Ivan, based on my experience with him.) Julian then surprised me by explaining his personal animosity to George Nelson on grounds that "George Nelson killed a friend of mine." When I expressed astonishment, Julian said George had been the designated diving "buddy" of a woman (Julian's friend) who got into trouble during a group scuba dive off the coast of Maui, and who died of an air embolism after George "panicked and abandoned her." (I was essentially speechless after this, and Julian hastily changed subjects.)

The apparent heart of the matter then arose. Julian said: the trouble is that people at Alyeska now regard Hamel as a nut and don't think he can still hurt them, but he can. I replied: from what I've heard, people at Alyeska believe Hamel can and does hurt them; it is at EPA that Hamel is now regarded as a nut; at Alyeska the sole question I have heard relating to Hamel's mental state is, "What is it that compels a man waking up in Virginia every morning to ask himself, 'What am I going to do to Alyeska today?'"

Julian then said that he believed Hamel's claims against Alyeska could still be settled, and that maybe Hamel could be induced to take an "early retirement" from waking up in Virginia every morning and asking himself "What am I going to do to Alyeska today?" Julian went on to say that there is an obvious problem with this: "Chuck would be perceived as selling out the Alyeska employees who rely on him, and their cause, and Alyeska would be perceived as bribing Chuck to buy his silence." Nonetheless, and with no encouragement from me, Julian said that over the next few weeks or months he would talk to Hamel about what, if anything, might suffice in the way of a settlement that would make him happy. That is where our conversation ended.

Written in this fashion, the conversation does not do justice to Julian's subtlety and guile. Had the conversation been transcribed, no one reading the transcript would be able to say for certain that Julian was really making a proposal or even extending a feeler. In fact, for all I know, Julian may merely have been trying (1) to make me feel uncomfortable (hence my recitation of



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the background above) by suggesting his power over me and my client, or (2) genuinely to give advice, in the form of a word to the wise, that Alyeska should continue to expect trouble from Hamel unless Alyeska continues to "make progress" (in Julian's view) from the days of the Nelson era.



FOR302921

ATTACHMENT 5

**REPORT OF INVESTIGATION**
**SPECIAL INVESTIGATIONS DIVISION**

**TO:** PAT WELLINGTON

**FROM:** WAYNE B. BLACK

**DATE:** MAY 18, 1990

**RE:** MEETING WITH CHARLES HAMEL IN WASHINGTON, D.C. ON MAY 16, 1990.

---

**SYNOPSIS**

Investigators Richard Lund and Wayne Black met with Charles Hamel in Washington, D.C. and Alexandria, Virginia on May 16, 1990. The meeting was pre-arranged between Black and Hamel to discuss Hamel's computer software and the function of The Ecolit Research Group.

**DETAILS**

1. At approximately 1:00 p.m. Lund and Black arrived at Hamel's residence at 101 Quay Street, in Alexandria, Virginia 22314. Black was posing as Wayne Jenkins and Lund was posing as John Foxx, both of the Ecolit Research Group. Hamel and his wife were at home with their poodle. Hamel answered the door and said that he was on a long distance telephone call. He was introduced to Lund by Black. He then left Black and Lund alone in the living room area on the second floor of his house.

THIS DOCUMENT IS ATTORNEY/CLIENT PRIVILEGE

2. Black showed Lund stacks of Alyeska documents. Some had been moved from Black's last visit and replaced with others. For approximately 15 minutes, Black examined Alyeska files while Lund observed and listened for Hamel to return downstairs. Black and Lund observed a file marked Alyeska Standard Operating Procedure. Inside were documents that indicated same. Laying on Hamel's desk at the same location in the living room were several stolen Alyeska documents. Black selected and recovered three of the documents as described below:

(a) Two Alyeska messages, one dated 7-19-85 and one dated 7-26-85.

(b) One Corporate Operations Administrative Exchange (COAX) memo dated 3-27-89. This document is three pages in length.

(c) An Alyeska pipeline Service Company work request, dated 4-15-90. This document has a note attached indicating that the document was written by the person who sent the document. In the action portion of the document which is dated 4-17-90, it appears that the technician was R. Scott.

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The above documents were initialed, dated and retained by Black as exhibits. Also on a chair in the living room (not recovered) was an Alyeska Standard Operating Procedure for handling emergencies dated 1989.

3. At approximately, 1:45 p.m., after a brief chat with Kathy Hamel Black and Lund drove Hamel to Management Information Technologies, Inc., at 4450 MacArthur Blvd., N.W., Suite 7B, Washington, D.C., where they met with Ken Ewell and Richard Hyams. While Mr. Ewell described his software, all had pizza and coke. Ewell had asked for input so that he could demonstrate the program. Black provided two docket sheets from a Miami case. This was used for input and scanned.

4. At approximately, 2:30 p.m., Hamel mentioned that he wanted to talk to Black alone. Hamel and Black left, driving the rental car to a local cafe where they had coffee and dessert. It was at this time that Hamel showed Black the attorney/client privileged information.

5. During the approximate hour and a half Black and Hamel talked at the cafe, Hamel often mentioned George Miller. He mentioned that Miller was a personal friend of his and reminded Black that

Miller stayed at his (Hamel's) house in Alaska during the hearings. Hamel spoke of Miller as if the two were on the same team, fighting Alyeska. Hamel mentioned that he was, "feeding" Miller documents and information that he (Hamel) received from his sources in Alyeska. The same documents that he referred to earlier as being, "stolen." At one point in the conversation about the Miller association, Hamel mentioned that he and Miller were going to, "set up" the president of Alyeska in hearings in a few months. When asked what that meant, Hamel indicated that Miller would be asking questions from memos to which he (Miller) already knew the answers.

6. Black asked Hamel where he thought this whole idea was going. He again said, "when they pay me the money they owe me, I will just go away." Hamel said until then, he and George Miller would make their lives miserable.

7. Hamel showed Black several legal documents which were outlined in another memo, same date. Hamel told me that he had a source inside Alyeska's legal department. He said that someone from Exxon's legal department told his lawyer that he was being photographed. He said he was too old to do anything like fool around on his wife so he was not concerned.

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8. Hamel and Black explored how Hamel could use Ecolit and how Ecolit could use Hamel. Hamel said that only 25% of his data was entered into the computer. It was agreed that Hamel had alot of data and Black had the theory and the two should merge the information.

9. A discussion was held concerning Hamel's close friendship with the Attorney General of Alaska, Doug Bailey, who used to be Hamel's personal lawyer. Hamel said he talks with Bailey on a regular basis and in fact, Hamel's son was fishing with the Attorney General's son as they spoke.

10. There was a discussion regarding Hamel's present lawyer who used to be a lawyer for Alyeska. Hamel said he didn't care if there was a conflict because his lawyer knew the ways of Alyeska and they knew him. He felt that other lawyers would be too harsh threatening to sue, etc. According to Hamel, his lawyer indicated to him that Alyeska was thinking of offering him (Hamel) a job. He said that Exxon knew they could not settle because of the impact on others. Hamel thought possibly Alyeska could give him a "kicker" on some of the land that they are possibly purchasing from him. He said that Alyeska and Exxon don't really know how to resolve that matter.

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11. Hamel indicated that he wanted to work with Ecolit and that he wanted to come visit Miami. He wanted to use Black's mind to give him ideas on how to settle with Alyeska.

12. At approximately 4:00 p.m., Hamel and Black returned to pick up Lund at Management Information Technologies, Inc. The three drove to Hamel's neighborhood for dinner. It was on the way, which was approximately twenty minutes by car, that Hamel opened several letters he had received from Ewell's location. The envelopes were addressed to Ms. Gloria Ewell at that address. While opening the letters in the front seat of the rental car, Hamel exclaimed, "let's see what my sources in Alyeska sent me today." Lund and Black were able to notice that on the back of one of the envelopes was an embossing indicating that the envelope was the personal stationery of Bob Scott.

13. At the restaurant, Hamel and Lund sat in a booth while Black reviewed the attorney/client privileged documents in Hamel's case. Black attempted to dictate enough details so that they would be identifiable later. Hamel said that he would allow Black to have the documents at a later time. Hamel said that Department of Justice Attorneys were trying to determine how they can use the attorney/client documents. For now, they have not reviewed them.

Hamel said that the Attorney General in Alaska had the same problem. Hamel indicated that George Miller was aware of the information on the attorney/client documents, but was evasive when Black asked if Miller or anyone of his aides had actually seen the information.

14. There was a conversation with regard to the pipeline where Hamel said that holes in the pipeline from corrosion, etc., would not peel back the pipe, but the up and down pressure would cause stress and leaks. This type of break would peel back under pressure. Hamel said that the heat and the weight of the pipe is causing the bridal to sink as the permafrost is melting. He said he had documents and proof of same from his sources. Hamel said that if Alyeska would hire an expert to go out there and check, they would be able to correct the problem.

15. Black asked Hamel about the level of his sources as Hamel had spoken that he had someone at a high level or was at least able to get information from a high level. Hamel often spoke of what went on in the board room, vis-a-vis him. Hamel indicated that he used to have a source at an upper level, but that the person is now affraid. Apparently the person had a problem with taxes and tax

shelters and now owes IRS much money. He needs his job. It is apparently too risky for this person to be associated with Hamel. This person knew that the Exxon's lawyer would call Hamel names at meetings. This person was aware that Exxon's lawyer told Hamel's lawyer that he (Hamel) was an extortionist.

16. After dinner which was paid for by Black, the three walked outside and departed. Hamel walked home from the restaurant which was only half a block away. The total price for the dinner for the three was approximately $72.00, which included one glass of red wine each.

17. Copies of stolen items recovered from Hamel are included with this report.

WBB:jl
427.z

Encls.

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ATTACHMENT 6

**PRIVILEGED ATTORNEY/CLIENT INFORMATION**
**PRIVILEGED WORK PRODUCT INFORMATION**
**CONFIDENTIAL AND PERSONAL**

**TO:** DISTRIBUTION

**FROM:** WAYNE B. BLACK

**DATE:** JUNE 5, 1990

**RE:** CASE BRIEFING MAY 23, 1990

---

On May 23, 1990, a briefing was held in San Francisco, California. Present was Pat Wellington, Alan Bernstein, Roger Iverson and myself. San Francisco was chosen because it was a central location in the country where the attendees would be at about the same approximate time.

A detailed briefing was held with regard to the status of our investigation thus far. Executive summaries and investigative plans were distributed, one to each attendee. A master file was given to Mr. Wellington which contained a recap of each and every memo and exhibit in the investigation thus far.

There was a discussion held regarding Charles Hamel mentioning George Miller (D California). Hamel had mentioned that he frequently spoke with Miller regarding his (Hamel's) findings. At the same time, Hamel would mention that for $18 million and the other things he wanted, he would simply go away and forget the whole thing. We discussed Hamel involving Miller in great detail. It was obvious to all present that George Miller had a fine

reputation as a long standing member of Congress. It was felt that Hamel may be puffing when he mentioned that he spoke with George Miller. It is probable that Hamel is only speaking with one of Miller's aides as he had told me originally during our first conversation by telephone.

It was reiterated that our original directive in this investigation, other than the communications technology work performed by Rick Lund, was to investigate the theft of proprietary information from Alyeska. Proprietary information that is protected by Alyeska's standard operating procedure and internal non-disclosure agreements. Additionally, all agreed that we would focus on Hamel's allegations that he had illicit sources inside Alyeska's legal department which provided him some of the attorney client privilege information now in our hands as exhibits.

The legal cautions prepared by William Richey and Jonathan Goodman were also discussed in detail. It was agreed that the firm of Richey, Munroe, Fine & Goodman would be continually consulted as the investigation progresses for the purposes of rendering legal advice. William Richey and Jonathan Goodman would be added to the

disclosure list as they will receive copies of previous and future reports of investigation.

WBB:jl
427.qq

cc: Pat Wellington
Roger Iverson
Alan Bernstein
TWC - Legal
William Richey, Esq.
File

MR. HAMEL: Yeah.

MR. BLACK: That can be the other part of the action.

MR. HAMEL: They fucked up, and now -- take me back to what you're saying. If I do the suing --

MR. BLACK: If we sue anybody, or they sue us, each party has a right to depose witnesses, or plaintiffs or defendants on the other side. That's basically it. You've got a right to depose, and ask them questions, and ask them how they know things, and why they brought the suit. And it's fairly, it's fairly broad. They can ask you, you know --

MR. HAMEL: I've been in depositions up to my ears, and when they start asking something I don't want to answer, they can make a big fuss about it.

MR. BLACK: And if they certify the question, then they can have a little hearing, and they can have a judge ask it. But the point is, there's no reason for you to be a party.

MR. HAMEL: For me -- I don't like the other guys that --

MR. BLACK: Oh, you want to be a party.

MR. HAMEL: I want them to know it's me. So. Maybe --

MR. BLACK: Do you think that -- Well, let me ask you a question. Do you think it's those kinds of things that -- being party to a suit, that's going to get them to pay you quicker?

MR. HAMEL: No. I think that when they know it's me that's done this to them, they're going to pay me quicker.

[Recording ends, at ca. 45 minutes. Side 2 of audiotape ends]

[Side 3 of audiotape begins with ten seconds' overlap with the end of Side 2, starting from "those kinds of things that--" above. After overlap, recording continues:]

MR. BLACK: So that's --

MR. HAMEL: Right. Everybody's in for their thing. I -- they -- I -- they keep telling my lawyer they want to settle. They want to do something with me. My lawyer happens to be in a very peculiar position where

So I had the commitment, and I've told the lawyer, I can't settle with them. It drives Alyeska and them crazy. They talk to the lawyers all the time, and I says, "I can't settle with them until I get a health plan for them."

And I told my lawyer, it doesn't have to be me. They don't have to give me credit -- they don't want to give me credit for anything, because it would just encourage other people to do what I've done to them. But they can work it out with Miller. They can say, you know, what Miller -- they agreed together that they're going to start a health plan, trace all the employees in case somebody got a little benzene. I don't care how they state it. They haven't done anything wrong or just the case. But the health plan, go find every former employee, and all the present ones and start marking, start watching them. Because some of them are going to be -- benzene is something that some are going to be in deep trouble twenty years from now, leukemia and whatnot.

So the other thing they said is they want to hire me as a consultant. I said, all right. Bullshit. You know. They hire --

MR. BLACK: It seems everyone wants to hire you as a consultant.

MR. HAMEL: No, but they hire me as a consultant and pay me. They don't know how to pay me off. They owe me millions. So they said they could hire me as a consultant, high-priced consultant, and of course, [Park?] may never talk to me, but just keep sending me money. And I told them, I said, "Well, you know, there's too much money involved. They can't have a consultant running around at a million dollars a year or something." So -- they owe me too much.

So I told them, go back to the drawing board and let them be a little bit more imaginative than that. They'll find -- hey, they're big companies. They'll find something.

But one thing they're looking at, I'm finding out, is, if they make their deal -- when they make their deal with me in September or October, when they pay me off for my land deal, I also have another little interest up there with them. A net profits interest in the Gwydder Bay field. It's like six other leases.

And my partners -- a year ago if they had made some special deal with me, my partners would have gone bananas, you know, what the hell's going on? But now, my partners understand this from the lawyers and from everyone else, and they've heard it, because my partners have been approached by the oil guys saying, "What the hell does it take to get rid of Hamel? You know, why does he do this to us? We're not" -- My partner says, "I don't know why the hell he

does it for. You screwed him, you know. You pay him, he'll be happy.

So now they're talking about -- I don't know how they do it, but somehow, they'd give me a little more money than they'd give -- you know, BP, ARCO and Exxon are all together in this deal to buy me out of the land deal, so they'd find some gimmick where they'd pay me a little extra -- a lot extra -- my partner would get this -- I'd get this plus something extra. I don't know how they're going to do it, if they're even going to do it, but that's -- they're going to.

Now, my partners don't mind that. They don't care what I get extra, because they're happy with what they're getting, and they understand that the reason they're getting what they're getting is Exxon wants -- and ARCO and BP are so scared of me now, that they tell the lawyers they've had it. They can't believe the things I've pulled off that cost -- I've cost them hundreds of millions of dollars, and it just -- it was easy when it was twenty million, we used to joke about it. Twenty million. You know, Exxon had 20 percent. What the hell is 20 percent of twenty million? If you paid the guy, then somebody else will do what he's doing. No agreement could last this long, because nobody's got the kind of money I had to last this long. So I don't know that they'll ever [hurt?]. But I find that if I don't keep hurting their eyeballs, they'll dilly-dally with finding a solution, and I'm 60, and I'm tired, and I'm worn out. So I figure every time I do something, it puts it back on the front burner. They say, "That damned Hamel." _____ eight major oil companies, I work in a couple billion dollar settlement with Julian Mason, who they know is my attorney, and they wish to hell I'd get out -- it's the top attorneys for these companies, and outside attorneys, who are negotiating this thing.

If I keep goosing it, and I get to about -- I figure October, November, they're going to finally make that settlement. Maybe not, but it looks like it to me in my mind, because of the court dates and what not.

But I want them just looked cross-eyed from the way I hit 'em.

MR. BLACK: Uh-huh.

MR. HAMEL: [So we'll worry about it?] later, about how it's worked with it. It doesn't have to have my name on it, but they'll know it's me from, you know, everything that's happened, and I just want them to know that it -- that I'm not going away.

MR. BLACK: Then, from your point of view, you told me, Chuck, that you -- before that you -- I think, three or four times you know we talked on the

MR. HAMEL: I will be out of the Alyeska picture when they pay me. But I hope that where I am going, I'm gonna hit them so hard that its going to be cleaned up anyway, but the rest of them, they're not getting any commitment from me I'm not going to do, do what I want to do. But just like this California stuff...

MR. BLACK: Speaking of ..

MR. HAMEL: I wouldn't get out of that.

MR. BLACK: Speaking of commitment, I have some spending money here, so we might as well start our relationship today.

MR. HAMEL: What do you guys do with -- How come you got cash?

MR. BLACK: It is just easier for different things. I could write you a check if you want, if you don't, if you hate cash, but that is real cash. That is real, that is two thousand dollars in real United States currency there.

MR. HAMEL: Yeah, I know that, but you guys don't operate with cash do you?

MR. BLACK: Well we have a checking account, like for expenses, and things like that we've got the cash. I do American Express for hotel bills.

MR. HAMEL: I can't touch this till I give you those documents.

MR. BLACK: Take it now and give me the documents tomorrow.

MR. HAMEL: Oh no. I will give you the documents today. And then we will work something. We will talk about this in checks or whatever.

MR. BLACK: So, you don't want --

MR. HAMEL: I want you to have those documents before the [engagement?] that comes --

MR. BLACK: Okay.

MR. HAMEL: Because I don't want it ever said that I sold the documents. I am not selling documents. Those documents, like I told you one night that I'd let you have them and I know when, I felt confident about who you guys were. But ah, --

MR. BLACK: Whatever you want to do, if you -- I mean, I wasn't giving it back to Alyeska. It is between us. If I give you this cash you will not be on our books. If I write you a check...

MR. HAMEL: No, well, I, ah, I have to be on the books.

MR. BLACK: It's up to you.

MR. HAMEL: I have to be on the books, ah, and now, initially, that I want to play with, what I would want is that all the money I spent to get the data, of all the people I hire to go get everything we need, that I'd love to have current.

MR. BLACK: Reimburse you? Yeah, just give me a ball park figure.

MR. HAMEL: No. They wouldn't spend a dime each time without my knowing what is going to be or why. [inaudible]

MR. BLACK: Then, you could give me a budget so I can cover it.

MR. HAMEL: None of that is going to be big stuff, it is just -- it just costs me, and I really haven't been doing a lot of it because it used to cost me a lot of money, [several words inaudible] not doing it any more.

MR. BLACK: But the bottom line is that I will be glad to write you a check. What -- you have -- You and I have spend a lot of time together and we are going to be spending a lot more time together hopefully. I want to help you with your stuff and this computer, but what you are helping me with those legal documents is incredible and I want to pay you for that time, maybe not for those documents but --

MR. HAMEL: Nothing to do with those documents. [several words inaudible] I got them for nothing, and you will have them for nothing.

MR. BLACK: Okay.

MR. HAMEL: I didn't pay for those. I pay for a lot of stuff I get, but I [inaudible] pay by stuff, in fact I have spent a fortune in going to get stuff and getting stuff done. But those documents I didn't even pay a cabfare _____. Somebody met me in Anchorage and just gave it to me.

MR. BLACK: Okay. I hear you.

MR. HAMEL: It's the funniest thing in the world, he gave them to me, he put them in my briefcase, I went back to my hotel and I see the two attorneys from Dickstein, Shapiro and the other law firm in San Diego, you know which one that was, and they were late at the airport to catch a plane and trying to flag a cab down and couldn't find one. So I went back to my car and I said how far and I'll give you a ride to the airport. And on the way to the airport, I wanted to tell them so bad that what I had, but I hadn't even read it all the stuff, you know. [several words inaudible] I got some stuff here, I got to talk to you guys a in a week or so, got new material, it's good

stuff, yeah, good stuff, I kept saying to myself, man, if they knew what I had they'd go bananas, but --

MR. BLACK: Yeah.

MR. HAMEL: -- it was so funny.

MR. BLACK: It is 4:20, you want to go think about getting cleaned up and having some din-din?

MR. HAMEL: Yeah.

MR. BLACK: Okay.

MR. HAMEL: And you are going to hear from her, at all or what?

MR. BLACK: Yeah. [inaudible] Well, she is the only person that hasn't paged me, if she doesn't, that's her -- Yeah, take one of those. [laughter]

[Side 1 of enhanced audiotape ends at ca. 48 minutes; side 2 follows.]

MR. BLACK: Those are neat.

MR. HAMEL: "Treat the Earth Well". That is cute.

MR. BLACK: Yeah, the foundation purchased about 200 of these and we have been passing them out.

MR. HAMEL: Did ya.

MR. BLACK: Yeah. But take one of these, they're neat lapel pins,

MR. HAMEL: You can give one to Kathy tonight.

MR. BLACK: All right, I'll do it. You take that one, and I will take...

MR. HAMEL: Now, here is what you are going to have when I make my peace, if I ever make my peace with them and they pay me. What they are paying me for is not the environment. They are paying me for my water in the oil. That is all I want from them. And I've told them that they got to clean up their act. With this little gal named Riki Ott. I told Riki Ott --

MR. BLACK: You told me about her.

MR. HAMEL: And I am her, I don't know what you call it, but anyway, she doesn't breathe without calling me, doesn't do anything without calling me, and I go into great pains to get her in to the speaker circuit this

winter because she is dynamite, and Doug Baily, I want to get him on the speaker circuit this next year, and I already introduced him to the speakers' bureau here a couple of weeks ago and he's going to do a tape for them, _____. But Riki is all of fire, but she is all over the place. She needs direction, needs help, but she could be dynamite for you. Out in Alaska or whatnot. But somehow she couldn't handle the part that I am talking about, we'll just have to find somebody else to be receiving the phone calls and for Alyeska. I just think that once this task force is operating, it could be a whole year before it's operating, but once I hit them hard with the next few months with what I am doing and the task force gets operating, they can't get anywhere, they can't get Arctic National Wildlife Refuge [ANWR] without it, and I think they will shape up. But you guys want to do Alaska.

MR. BLACK: Sure. Hell, yeah. In fact I was just thinking, if you want we'll take over your 800 line when they settle with you, whatever you want to do. We'll make sure that something gets done with it, it gets referred to the right people.

MR. HAMEL: Well, the problem with these guys that call me is, it's a funny relationship. For example, some of them call me every night. You know. [several words inaudible] I know all about his family and, he would talk about everything. Probably he has no one else to talk to and he got me so, you develop that kind of a relationship, you know. But he, I can direct someone like him to somebody, but a lot of other people won't, they come from way back when I first started and they knew about me and they approached me, kids would knock on my door, a couple of people, used to go out of their way on vacation to come down and see me. But there is a void in Alaska and I think I identified it to you before, the environmental community won't do anything up there in this nature any more. They do NPDES stuff where they hit one oil company here and one oil company there, but they don't hit the group, because they are afraid of them.

MR. BLACK: Do you trust the EPA people?

MR. HAMEL: EPA? Ah, at the water quality division, zero.

MR. BLACK: Where is what's his name, Nye?

MR. HAMEL: Oh, Nye is the only guy I trust, and his – Cooper, Hooper, his assistant. They are the only two I found that, I found one guy at DEC that I could trust – [Clarence?]. But when they are crooked at EPA, I say crooked, I don't know – they all want a job down the road with the industry or something. When the gal on the NPDES permit really clobbered me by saying that Alyeska was non-profit that she wasn't going to force the best available technology on them –

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ROBERT E. JORDAN, III
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November 20, 1991

The Honorable George Miller
Chairman, Committee on Interior
and Insular Affairs
U.S. House of Representatives
1324 Longworth Building
Washington. D.C. 20515-6201

Dear Chairman Miller:

During the course of the November 4-6 hearing there was extensive questioning of Wackenhut, Alyeska, and Owner Company witnesses about the legality of some of the investigative techniques used by the Wackenhut investigators. There was also lengthy testimony about the intent of the investigation and whether it ever focused on you, your staff, or any other member of Congress.

In order to more fully explain the reasoning supporting the positions taken by the witnesses on the Alyeska and Owner Company panels, I am submitting with this letter more detailed statements of the legal basis for those positions. Attached to this letter are specific statements on the legality of the following activities:

Tab A: Legality of taking abandoned trash in Alaska and Virginia.

Tab B: Legality of Lund's use of telephone toll records.

Tab C: Legality of taking documents from Hamel's residence.

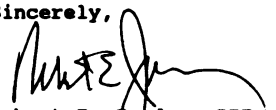
Tab D: Legality of taking documents belonging to Alyeska and transporting such documents in interstate commerce.

Tab E: Legality of the investigative activity under 18 U.S.C. §§ 1505 and 1512.

Tab F: Legality of obtaining MITI software under 18 U.S.C. §§ 1341 and 1343.

On behalf of Alyeska and the Owner Companies I request that this letter and its attachments be made a part of the record with respect to the Committee's hearing of November 4-6, 1991.

Sincerely,



Robert E. Jordan, III
Counsel for Alyeska
Pipeline Service Company

cc: Honorable Don Young
Linda Chase, Esq.
David Dye, Esq.

A

## THE TAKING OF ABANDONED TRASH IS LAWFUL

During the course of Wackenhut's activities its investigators at various times removed abandoned trash from three locations: (1) from the front of Robert Scott's home in Valdez, Alaska, (2) from a dumpster located in an alley behind 725 Christensen Drive in Anchorage, Alaska, and (3) from the front of Charles Hamel's home in Alexandria, Virginia. None of these acts was illegal under the relevant state law. Furthermore, the Wackenhut investigators are not subject to civil liability for trespass or invasion of privacy as a result of their conduct in taking the discarded trash.

**Alaska Law:**

### Larceny

Wackenhut did not violate Alaska's theft statute in taking Scott's trash or the trash from the 725 Christensen Drive dumpster. Under Alaska law, to establish the crime of larceny the state must prove that the accused obtained "the property of another." Alaska Stat. Ann. § 11.46.100 (1989); see Pulakis v. State, 476 P.2d 474, 475 (Alaska 1970). In order to show that the items taken were "the property of another," the state must prove beyond a reasonable doubt that the objects taken were not abandoned. Abandoned property is neither owned by nor in possession of another person or entity and cannot be the subject of larceny. Howard v. State, 583 P.2d 827, 832-33 (Alaska 1978).

Abandonment is the voluntary relinquishment of a chattel by its owner, coupled with the intention to terminate ownership, possession, and control of it. Decisive and unequivocal acts can evidence this intention. Id. Alaska courts hold that placing garbage in a public dumpster and setting out trash in a bag for pick-up are both acts sufficient to demonstrate abandonment. Smith v. State, 510 P.2d 793, 795-96 (Alaska 1973); Ingram v. State, 703 P.2d 415 (Alaska App. 1985), aff'd, 719 P.2d 265 (Alaska 1986).

Under these decisions there is no question that Scott's garbage bags, as well as the items in the dumpster behind 725 Christensen Drive, were in fact abandoned. As a result, there are no grounds for a larceny prosecution of the Wackenhut investigators for taking trash in Alaska.

### Criminal Trespass

Nor did Wackenhut investigators engage in conduct that would fall under Alaska's criminal trespass laws. In Alaska, it is a misdemeanor to make a non-privileged entry into a "nonpublic place." See Alaska Stat. Ann. §§ 11.46.320 & 11.46.330 (1989);

Arabie v. State, 699 P.2d 890, 893 (Alaska App. 1985). A non-privileged entry into a public place is unlawful only if the offender knowingly remains on the premises after personally being ordered to leave, or recklessly disregards a lawful order to leave. Alaska Stat. Ann. § 11.46.350(a)(2) (1989); Johnson v. State, 739 P.2d 781 (Alaska App. 1987).

Since there was no personal order given to the investigators by either Scott or any of the residents of 725 Christensen Drive to leave the premises, the Wackenhut investigators could not commit criminal trespass unless they made an "unlawful entry" in order to pick up garbage located in a "nonpublic place."

Alaska law defines "public place" broadly to include any "place to which the public or a substantial group of persons has access," such as a public street or sidewalk. Alaska Stat. Ann. § 11.81.900(46). See Johnson, 739 P.2d at 782-84 (members-only ski resort which requires admission ticket is a "public place"); Arabie, 699 P.2d at 893 (back rooms in a 24-hour grocery store constitute a "public place").

Lund's March, 1990 visit to the dumpster which contained the garbage of the residents of 725 Christensen Drive was not an unlawful entry, because the dumpster was located in an alley to which the general public had access. Likewise, when Lund and Crep took Scott's trash it had already been placed outside his property for pick up; they did not enter Scott's private property to get it. Since there was no unlawful entry, there could be no criminal trespass.

**Civil Trespass**

Under Alaska law, the tort of trespass is committed when a person intentionally enters the private land of another without permission. Brown Jug, Inc. v. Int'l Brotherhood of Teamsters, 688 P.2d 932, 938 (Alaska 1984), quoting, Restatement (First) of Torts § 163 (1965). There is no evidence that the Wackenhut investigators entered onto Scott's property in order to take the trash. In fact, the investigators have stated that the trash was on the street when they collected it. Similarly, the investigators took the trash from 725 Christensen Drive from a dumpster in a public alley. Accordingly, there has been no trespass.

**Invasion of Privacy**

Alaska Constitution. Article 1, § 22 of the Alaska State Constitution guarantees Alaska residents a right to privacy. Alaska Const. art. I, sec. 22 (adopted 1972). However, the Alaska Supreme Court has held that this constitutional right does not extend to private action. Luedtke v. Nabors Alaska Drilling, Inc., 768 P.2d 1123, 1127-30 (Alaska 1989). Therefore,

the Wackenhut investigation, a private operation, did no infringe this state constitutional right.

Common Law Right to Privacy. Under Alaska law, '[o]ne who intentionally intrudes . . . upon the solitude or sec sion of another or his private affairs or concerns, is subject o liability . . . if the intrusion would be highly offensiv to a reasonable person." Luedtke, supra, 768 P.2d at 1137, ci ng Restatement (Second) of Torts § 652B (1977); Siggelkow v. tate, 731 P.2d 57, 62 (Alaska 1987). Thus, to constitute an in sion of privacy the act in question must both intrude into the "solitude or seclusion" of another and be "highly offensi to a reasonable person."

Both the United States Supreme Court and the Ala ka Supreme Court have ruled that a person's privacy right is ot infringed when someone takes an item from his trash. Cali ornia v. Greenwood, 486 U.S. 35, 41-42 (1988) (no reasonable expectation of privacy with respect to garbage set outside the home for collection); Luedtke, 768 P.2d at 1137-38, citing Froelich v. Werbin, 548 P.2d 482, 485 (Kan. 1976) (not hig ly offensive to take lock of plaintiff's hair taken from garb ge can in his hospital room). In this respect, the common law ri ht to privacy is even narrower than the right under the Fourth Amendment at issue in Greenwood. Smith v. State, 510 P.2d 793 (Alaska 1973); Ingram v. State, 703 P.2d 415 (Alaska App. 1985), aff'd, 719 P.2d 265 (Alaska 1986). Moreover, it is well established that once one is outside of one's "private space" and in public, the right to privacy no longer attaches. Restatement (Second) of Torts § 652B (1977) (citing cases).

The trash from 725 Christensen drive was a mixture of the trash from several building tenants that had been placed in the dumpster located in an outdoor alley. Such an area is certainly not so secluded that an invasion of it would be highly offensive. Similarly, it was not an invasion of privacy to take Scott's trash, both because that trash was located in a public place and because it is not offensive to an ordinary person's sensibilities to take trash which has already been abandoned for collection.

**Virginia Law:**

**Larceny**

The Wackenhut investigators did not violate Virginia's theft statutes in taking Mr. Hamel's trash.

In Virginia larceny is the wrongful or fraudulent taking of personal goods of some intrinsic value, belonging to another, without his assent, and with the intention to deprive the owner thereof permanently. Smith v. Commonwealth, 283 S.E. 209, 210 (Va. 1981); Skeeter v. Commonwealth, 232 S.E.2d 756, 758 (Va. 1977). Criminal intent is an essential element of the crime

of larceny. Fraudulent or felonious intent is defined as intent without an honest claim of right and with the expectation of benefit to sell, to destroy or to take permanently from another goods which are his. Vaughan v. Lytton, 101 S.E. 865, 867-68 (Va. 1920).

A person who takes property under an "honest belief" that he has a legal right to do so does not commit larceny, because he lacks the required criminal intent. Butts v. Commonwealth, 133 S.E. 764, 767-68 (Va. 1926). Thus a person does not commit larceny in Virginia when he takes property which he honestly believes to be abandoned. Barnes v. Commonwealth, 58 S.E.2d 12, 16 (Va. 1950).

Hamel's trash had been left outside his home for public collection when the Wackenhut investigators took it. The Wackenhut investigators thus could reasonably have believed that the trash they were taking from out front of Hamel's home was abandoned property. There is no evidence that the investigators had any motive other than to take abandoned property. Accordingly there was no larceny.

**Trespass**

Under Virginia law, it is a misdemeanor "for any person to enter the land, dwelling, outhouse or any other building of another for the purpose of damaging such property or any of the contents thereof or in any manner to interfere with the rights of the owner, user or the occupant thereof to use such property free from interference." Va. Code Ann. § 18.2-121. The incidental act of momentarily going on someone's property without evidence of intent to damage the property or interfere with the owner's use is not a violation of law, unless the owner has posted a "no trespassing" sign or warned the defendant to keep off the property. See Va. Code Ann. § 18.2-119. Hamel's property was not posted and there is no indication that he warned the Wackenhut investigators or others to stay off his property. In any event, there is no evidence that the investigators ever stepped onto Hamel's property to collect his trash. At most, one investigator may have reached an arm onto the property on one occasion to pick up a bag. Such inconsequential contact with the property does not constitute a trespass.

**Invasion of Privacy**

Virginia does not recognize any common law tort for invasion of privacy. See Falwell v. Penthouse International, Ltd., 521 F. Supp. 1204, 1206 (W.D. Va. 1981). Although the state does have a statutory cause of action for the invasion of privacy, that statute is limited to the unauthorized use of photographs or names in advertisements. Va. Code Ann. § 8.01-40.

B

**THE OBTAINING OF LONG DISTANCE TELEPHONE TOLL RECORDS OF CHARLES HAMEL AND OTHERS WAS NOT IN VIOLATION OF THE LAW**

Richard Lund, in the course of Wackenhut's investigation of the source of unauthorized document leaks from Alyeska, obtained long distance telephone call records, commonly known as telephone toll records, of Charles Hamel and a few other individuals. He obtained such records from a commercially available source that publicly advertised the availability of such data in trade publications and brochures. It is Alyeska's understanding that Lund's source was an independent contractor who investigated fraud for local telephone companies. Lund did not violate the Federal Communications Act, Florida law regarding receipt of stolen property, Virginia's telephone records privacy statute, or Alaska's communications law in obtaining copies of these telephone toll records.

**Federal Communications Act**

Section 605 of the Federal Communications Act of 1934, 47 U.S.C. § 605 (1988), provides that "no person receiving, assisting in receiving, transmitting, or assisting in transmitting, any interstate or foreign communication by wire or radio shall divulge or publish the existence, contents, substance, purport, effect or meaning thereof, except through authorized channels of transmission or reception [or by lawful authority] . . ."

Every federal court of appeals that has addressed the question directly has ruled that section 605 does not cover toll records, even though they reveal the "existence" of a telephone call. See United States v. Barnard, 490 F.2d 907, 913-14 (9th Cir. 1973), cert. denied, 416 U.S. 959 (1974) ("garden variety telephone toll records . . . do not fall within the scope of 47 U.S.C. § 605"); United States v. Cerone, 452 F.2d 274, 289 (7th Cir. 1971), cert. denied, 405 U.S. 964 (1972) (toll records made for accounting purposes not covered by § 605); United States v. Covello, 410 F.2d 536, 554 (2d Cir.), cert. denied, 396 U.S. 879 (1969) (toll records not within scope of § 605 because they are necessary for billing purposes and are indiscriminately and openly kept). District courts have reached the same conclusion. See United States v. Kohne, 347 F. Supp. 1178, 1183-84 (W.D. Pa. 1972); United States v. Russo, 250 F. Supp. 55, 59 (E.D. Pa. 1966). Thus, the source for the telephone records utilized by Lund did not violate the Act in providing him with the records. And, because Lund's source did not violate section 605 in providing him with telephone toll records, Lund himself did not violate the Act.

Even if toll records were within the scope of section 605, Lund's source would not be among the persons

restricted by this provision. This clause of the statute only applies to persons "receiving, assisting in receiving, transmitting, or assisting in transmitting, any interstate or foreign communication from divulging protected information." 47 U.S.C. § 605 (1988). Alyeska's understanding is that Lund's source was an independent contractor who investigated fraud for local telephone companies and played no role in the actual transmission of phone calls. Such independent contractors are not the kind of "persons" included within the scope of section 605. Bubis v. United States, 384 F.2d 643 (9th Cir. 1967) (independent agent of the telephone company charged with investigating telephone fraud is not a "person" under clause 1 of § 605); United States v. Baxter, 492 F.2d 150, 165-67 (9th Cir. 1973), cert. denied, 416 U.S. 940 (1974) (for § 605 to be violated, it must be proved that the person who made the disclosure had the specific duties spelled out in section). If Lund's source is not subject to the statute, Lund himself cannot be an accomplice to a violation.

**Florida Theft Statute**

Even if the toll records were improperly obtained or sold, Lund's receipt of them would not necessarily be illegal. Lund received the telephone toll records he ordered in Florida. In Florida, the crime of receiving stolen goods is included within the general theft statute, Florida Stat. Ann. § 812.014 (1976 & Supp. 1991). Under this provision, one who buys stolen property with knowledge of its stolen character commits theft. Colvin v. State, 445 So.2d 657, 660 (Fla. App. 1984). The state must prove beyond a reasonable doubt that the defendant had the specific intent to obtain goods that he knew to be stolen. Bradshaw v. State, 353 So.2d 188, 190 (Fla. App. 1978). Lund ordered the toll records from a commercial source through advertisements available to the public. Therefore, there is no evidence that Lund considered such records to be stolen when he received them.

**Virginia Telephone Records Law**

Nor did Lund violate the Virginia law regulating telephone records. That statute prohibits an employee of a telephone company from knowingly disclosing, without the telephone company's consent, "the names, addresses, or telephone numbers of any two or more customers of telephone service." Va. Code Ann. § 18.2-166(1) (1988). There is no case law construing this provision, but a fair reading of the statute suggests that it was not intended to prohibit the dissemination of information concerning the numbers called by a customer, but rather to protect information identifying the customer himself.

Moreover, the statute extends its prohibition only to telephone company employees and to employees of companies which handle lists of telephone customers for a telephone company. Id. The provision thus appears to be aimed at releases of information by the employees of companies which publish telephone

directories. Lund's source apparently was an independent contractor who is neither an employee of the telephone company nor an employee of any company that prints telephone directories. Since by its terms the statute does not apply to Lund's source, Lund cannot be an accessory to a violation.

**Alaska Communications Law**

Lund did not violate Alaska's communications law. Modelled after 47 U.S.C. § 605, Alaska Stat. Ann. § 42.20.300 (1989) provides that: "[a] person who receives or assists in receiving, or who transmits or assists in transmitting a communication by wire or radio may not divulge or publish the existence, contents, substance, purport, effect, or meaning of the communication, except through authorized channels of transmission." § 42.20.300(a). The statute also provides that "[a] person not authorized by a party to the communication may not intentionally . . . divulge [the information listed above]." § 42.20.300(b).

There are no cases construing this Alaska statute. The Alaska Supreme Court has held, however, that the state's statute is patterned deliberately after the federal statute, 47 U.S.C. § 605. Roberts v. State, 453 P.2d 898, 901 (Alaska 1969); Fuller v. State, 437 P.2d 772, 774-5 (Alaska 1968). Therefore, Alaska courts are likely to follow the established rule in federal cases that toll records are not covered by this statute. See discussion of 47 U.S.C. § 605, supra.

C

**WACKENHUT INVESTIGATORS DID NOT BREAK THE LAW WHEN THEY TOOK DOCUMENTS FROM HAMEL'S HOME IN VIRGINIA**

Wackenhut investigators did not commit larceny under Virginia law when they took Alyeska documents from Hamel's home on May 16, 1990, or when they obtained a piece of mail addressed to Gloria Ewell on May 9, 1990. Under Virginia law, one cannot commit larceny by taking one's own or one's principal's property from a third person with no superior right to possess it.

Under Virginia law, larceny is the wrongful or fraudulent taking of personal goods of some intrinsic value, belonging to another, without his assent, and with the intention to deprive the owner thereof permanently. Smith v. Commonwealth, 283 S.E. 209, 210 (Va. 1981); Skeeter v. Commonwealth, 232 S.E.2d 756, 758 (Va. 1977). Criminal intent is an essential element of the crime of larceny. Fraudulent or felonious intent is defined as intent without an honest claim of right and with the expectation of benefit to sell, to destroy or to take permanently from another goods which are his. Vaughan v. Lytton, 101 S.E. 865, 867-68 (Va. 1920).

A person who takes property under an "honest belief" that he has a legal right to do so does not commit larceny, because he lacks the required criminal intent. Thus a person does not commit larceny when he takes from a third person property which belongs to him or which he honestly believes belongs to him. Pierce v. Commonwealth, 138 S.E.2d 28, 31 (Va. 1964); Butts v. Commonwealth, 133 S.E. 764, 767-68 (Va. 1926).

Numerous other jurisdictions have joined Virginia in adopting the rule that there can be no larceny where an owner or an owner's agent takes the owner's property, to which the owner is entitled to immediate possession, from a third person without that third person's consent. See, e.g., State v. Brighter, 608 P.2d 855, 858-59 (Hawaii 1980); State v. Pietranton, 72 S.E.2d 617, 620 (W. Va. 1952), overruled on other grounds, State ex rel. Grob v. Blair, 214 S.E.2d 330 (W. Va. 1975); Moyers v. State, 197 S.E. 846, 848 (Ga. 1938); In re Cameron, 24 P. 90, 91 (Kan. 1890) (where agent of owner obtained owner's property from third person by means of false statements agent cannot be convicted of obtaining property under false pretenses); Black v. State, 3 So. 814, 815 (Ala. 1888); State v. D'Agostino, 422 A.2d 97, 99 (N.J. Super. 1980), certification denied, 427 A.2d 583 (N.J. 1981); see generally, W. LaFave & A. Scott, Criminal Law 722 (2d ed. 1986); Am. Jur. 2d "Larceny," § 83 (1970 & Supp. 1991).

On May 16, 1990, the Wackenhut investigators removed several Alyeska documents from Charles Hamel's home. At that time, the investigators had ample opportunity to examine the documents on Hamel's desk to determine that they all appeared to

belong to Alyeska. Because they took those documents under the honest (and accurate) belief that the documents belonged to Alyeska and that Hamel had no superior claim to their possession, they lacked the requisite intent to commit larceny.

Alyeska is unaware of the circumstances surrounding Wayne Black obtaining the envelope addressed to Gloria Ewell. It is clear that on one or more occasions the investigators saw Hamel opening mail addressed to Gloria Ewell which Hamel identified to them as information provided by his sources within Alyeska. If, therefore, they took the letter under the honest belief, based on Hamel's assertions, that the letter contained Alyeska materials provided by one of Hamel's sources, their honest belief would negate the intent element of the crime of larceny.

D

## TAKING ALYESKA'S CONFIDENTIAL DOCUMENTS CONSTITUTED THEFT

As the hearings conclusively demonstrated, Alyeska commissioned Wackenhut to investigate the sources of leaks of sensitive and confidential Alyeska documents. Problems of document leaks had been a continuing one for the company; the leaked document that immediately prompted the Wackenhut investigation was an attorney-client privileged document leaked to the producers of a BBC television program, The Scottish Eye. In the course of the investigation Wackenhut discovered that over twenty attorney-client privileged documents were in the possession of Charles Hamel, as well as literally hundreds of other Alyeska documents.

Theft was committed under Alaska law when individuals took Alyeska company documents and gave those documents or copies of those documents to Charles Hamel. Those individuals, together with Hamel, also violated the federal law prohibiting the interstate transportation of stolen goods, 18 U.S.C. § 2314. It is no defense to these thefts that the employees considered themselves to be acting as whistleblowers.

### Alaska Law

Under Alaska law, a person commits theft when "with intent to deprive another of property or to appropriate property of another to oneself or a third person, the person obtains the property of another." Alaska Stat. Ann. § 11.46.100(1) (1989). A person deprives another of property when he "withhold[s] property of another . . . under such circumstances that the major portion of its economic value or benefit is lost to that person." Alaska Stat. Ann. § 11.46.990(8) (1989).

For purposes of the theft statute, Alaska's property valuation provision states that "the value of any other instrument that affects a valuable legal right, privilege, or obligation shall be considered the greatest amount of economic loss that the owner of the instrument might reasonably incur because of the loss of the instrument." Alaska Stat. Ann. § 11.46.980(b)(2) (1989). Thus Alaska law clearly contemplates that written documents are property subject to theft.

Although Alaska courts have not directly addressed the issue, courts from other jurisdictions -- including California courts on whose decisions Alaska courts commonly rely as precedents -- have uniformly held that an employee commits theft when he takes a document belonging to his employer and gives that document or a copy of that document to a third person outside the company. See United States v. DiGilio, 538 F.2d 972 (3d Cir. 1976), cert. denied sub nom Lupo v. United States, 429 U.S. 1038 (1977); United States v. Greenwald, 479 F.2d 320 (6th Cir.), cert. denied, 414 U.S. 854 (1973); United States v. Bottone, 365

F.2d 389, (2d Cir.), cert. denied, 385 U.S. 974 (1966); United States v. Lester, 282 F.2d 750 (3d Cir. 1960), cert. denied, 364 U.S. 937 (1961); United States v. Seagraves, 265 F.2d 876 (3d Cir. 1959); Williams v. Superior Court of Los Angeles County, 146 Cal. Rptr. 311 (Cal. App. 1978); People v. Kunkin, 100 Cal Rptr. 845 (Cal. App. 1972), vacated on other grounds, 507 P.2d 1392 (Cal. 1973); People v. Dolbeer, 29 Cal. Rptr. 573 (Cal. App. 1963).

The employee commits theft even when he gives the third person his own working copy of a document, despite his right to use that document and take it home in the line of work. United States v. Greenwald, 479 F.2d at 321-22; Williams v. Superior Court of Los Angeles County, 146 Cal. Rptr. at 314, 317. Indeed, an employee commits theft even when he takes a company document, copies that document using photocopy facilities and paper that do not belong to his employer, returns the original to the company, and gives the copy to a third party. United States v. Bottone, 365 F.2d at 393-94; People v. Kunkin, 100 Cal Rptr. at 852. "It is the idea, not its material paper embodiment, which is valuable" to the company, and the company is no less deprived of the value of a document containing confidential information whether the original or a copy is given away by an unauthorized employee. United States v. Lester, 282 F.2d at 755.

The individuals who took or copied the attorney-client privileged documents and other confidential internal Alyeska documents that were then given to Hamel have deprived Alyeska of the economic value or benefit of its property within the meaning of Alaska law. They are, therefore, guilty of the crime of theft under Alaska law.

**Federal Law**

Under federal law, one who "transports transmits, or transfers in interstate or foreign commerce any goods, wares, merchandise, securities or money, of the value of $5000 or more, knowing the same to have been stolen, converted or taken by fraud," is guilty of a crime. 18 U.S.C. § 2314 (Supp. 1990). Anyone who "intentionally associates" himself with such activities is guilty as an accessory to the crime. United States v. Newton, 756 F.2d 53, 54-55 (8th Cir. 1985).

Photocopies of corporate documents not authorized for release are clearly stolen goods within the meaning of section 2314. United States v. Greenwald, 479 F.2d 320 (6th Cir.), cert. denied, 414 U.S. 854 (1973); United States v. Bottone, 365 F.2d 389, 393 (2d Cir.), cert. denied, 385 U.S. 974 (1966); United States v. Lester, 282 F.2d 750 (3d Cir. 1960), cert. denied, 364 U.S. 937 (1961); United States v. Seagraves, 265 F.2d 876 (3d Cir. 1959). Where stolen property has no readily ascertainable market value, any reasonable method of valuation may be used to prove it is worth more than $5000. United States v. Lester, 282 F.2d at 755.

The individuals who stole Alyeska documents transmitted them in interstate commerce when they sent them to Hamel in Virginia through the mail. Hamel intentionally associated himself with those illegal activities by setting up a mail drop under the name Gloria Ewell in order to receive the stolen documents under that false name. The documents are worth more than $5000 as measured by (1) the cost of preparation of the attorney-client privileged documents by outside counsel; (2) the cost of increased security on the pipeline to avoid sabotage facilitated by the theft of operating manuals; or (3) the increased risk of liability in ongoing litigation affected by the stolen attorney-client privileged materials. Accordingly, both Hamel and employees who assisted him have violated 18 U.S.C. § 2314 and are subject to fines up to $10,000 and up to ten years imprisonment.

In addition, in the case of the stolen attorney-client privileged documents it appears from information on the transcripts that Hamel received them in Anchorage. Since those documents showed up in his home in Virginia, he appears to have transported them in interstate commerce, directly violating 18 U.S.C. § 2314.

**Whistleblower Statutes**

While federal environmental laws contain provisions prohibiting retaliation against whistleblowers who bring potential violations to the attention of government authorities, those laws do not protect employees against dismissals justified on other grounds. In particular, an employer does not violate the whistleblower laws when it discharges an employee whose communication to authorities takes the form of handing over copies of confidential corporate documents rather than making merely oral complaints. See Jurgensen v. Fairfax County, 745 F.2d 868 (4th Cir. 1984) (county employee validly demoted for providing copy of confidential internal audit report to a reporter, despite his claim of whistleblowing motive); Jeffries v. Harris County Community Action Association, 615 F.2d 1025 (5th Cir. 1980) (employee validly dismissed for copying and disseminating confidential personnel files, despite claim she acted to publicize illegal employment practice); Special Counsel v. Department of State, 9 M.S.P.R. 363 (1982) (employee validly dismissed for insubordination in refusing to surrender departmental files rather than for whistleblowing activities).

Accordingly, an employer may properly dismiss an employee for making copies of and disseminating company documents. The employee may not defend the action of stealing company documents by claiming that he is exercising his rights as a whistleblower. The employee's rights extend to making oral statements about potential statutory violations, but not to violating a clear and reasonable company policy of confidentiality with regard to documents.

E

## NO OBSTRUCTION OF CONGRESS OCCURRED IN THE COURSE OF THE WACKENHUT INVESTIGATION

In the course of their investigation, the Wackenhut investigators had many conversations with Charles Hamel. A significant number of those conversations and meetings with Hamel, which were lawfully recorded, included references made by Hamel to Chairman Miller, his staff, and the Committee. Virtually all of these discussions were initiated by Hamel without prompting from the investigators, since Hamel repeatedly referred to claimed relationships with the Chairman and his staff.

In addition, during the course of the investigation of the sources of leaked Alyeska documents, William Richey, a lawyer retained by Alyeska, sought a very limited amount of public reference materials concerning Chairman Miller for Richey's own edification in rendering advice. Richey's advice, as previously submitted to the Committee and as to which he testified at length, was that any investigation that could appear to involve a member of Congress was extremely risky, and he advised against any such possibility. His view was consistent with Alyeska's, and the investigators were instructed to ignore Hamel's references to Congress and pursue only their direct objective of identifying sources of documents leaks from the company.

In carrying out their surveillance of Hamel, the Wackenhut investigators did not violate federal law concerning the obstruction of congressional investigations. Nor did they violate federal law protecting witnesses from interference with their testimony.

### 18 U.S.C. § 1505

18 U.S.C. § 1505 imposes criminal penalties on one who, "corruptly, or by threats or force, or by any threatening letter or communication influences, obstructs, or impedes or endeavors to influence, obstruct, or impede . . . the due and proper exercise of the power of inquiry under which any inquiry or investigation is being had by either House, or any committee of either House . . ."

In cases that do not involve threats or physical force, an essential element of the offense under § 1505 is that the defendant acts "corruptly." "The proper inquiry is whether a defendant had the requisite corrupt intent to improperly influence the investigation, not on the means the defendant employed in bringing to bear this influence." United States v. Mitchell, 877 F.2d 294, 299 (4th Cir. 1989). See also United States v. Laurins, 857 F.2d 529, 536-37 (9th Cir. 1988), cert. denied, 492 U.S. 906 (1989) (specific intent requirement under

section 1505 is that defendant must have acted "corruptly," i.e. that the act must be done with the purpose of obstructing justice); United States v. Jeter, 775 F.2d 670, 675 (6th Cir. 1985), cert. denied, 475 U.S. 1142 (1986).

None of the Wackenhut's actions bear any relationship to those acts traditionally associated with an intent to obstruct a Congressional investigation or other government proceeding. See e.g., United States v. North, 708 F. Supp. 387 (D.D.C. 1988) (signing a false statement under oath, alteration, mutilation and withholding of subpoenaed documents, the submission of documents known to be back-dated, influencing a witness to give false statements, and making misstatements that sought to block committee inquiries into press reports on aspects of the Iran-Contra situation); United States v. Presser, 187 F.Supp. 64 (N.D. Ohio 1960) (altering documents); Rice v. United States, 356 F.2d 709, 710 (8th Cir. 1966) (intimidation by threat and force of NLRB witnesses); Laurins, 857 F.2d at 536 (submitting false documents in response to IRS subpoena); Stein v. United States, 337 F.2d 14, 16 (9th Cir. 1964), cert. denied, 380 U.S. 907 (1965) (influencing witness to testify falsely); United States v. Alo, 439 F.2d 751 (2d Cir. 1971), cert. denied, 404 U.S. 850 (1971) (evasive answers to SEC investigative hearing).

The fact that Wackenhut investigators assumed false identities in their dealings with Hamel cannot support an inference of corrupt intent. Wackenhut never acted directly to investigate any member of Congress. Nor did the investigators take any action that could be construed as interfering with Hamel's access to Congress -- no representations were made or information provided to Hamel designed to influence in any way his communications with Chairman Miller or the Committee. In fact, Alyeska strictly instructed Wackenhut not even to encourage Hamel to talk about his activities in connection with Chairman Miller and this Committee. Hamel, however, continued to introduce these subjects into his conversations with Wackenhut investigators. Accordingly, there is no evidence that the Wackenhut investigators ever intended to influence any Congressional proceeding within the meaning of 18 U.S.C. § 1505.

**18 U.S.C. § 1512**

18 U.S.C. § 1512 prohibits tampering with a witness, victim or informant in a federal proceeding. It is a felony to knowingly use intimidation or physical force, threaten, corruptly persuade or engage in misleading conduct toward any person with intent to hinder, prevent or influence that person's participation as a witness or informant in any official proceeding relating to a federal offense. 18 U.S.C. § 1512(b). Harassment of a witness or informant with the same intent is a misdemeanor. 18 U.S.C. § 1512(c).

Courts have interpreted the statutory language in section 1512(b) narrowly, holding that it prohibits only the specific kinds of physical or coercive conduct listed and not other kinds of witness tampering. United States v. Risken, 788 F.2d 1361, 1368 (8th Cir.), cert. denied, 479 U.S. 923 (1986); United States v. King, 762 F.2d 232, 237 (2d Cir. 1985), cert. denied, 475 U.S. 1018 (1986); United States v. Lester, 749 F.2d 1288, 1294-95 (9th Cir. 1984).

Moreover, these acts must be aimed at the substance of the witness or informant's anticipated testimony. Misleading a witness in a manner not reasonably likely to affect the substance of his anticipated testimony is not a violation of the statute. See United States v. Kulczyk, 931 F.2d 542, 548 (9th Cir. 1991), amended, 1991 U.S. App. LEXIS 14666 (July 11, 1991) (misleading a witness by making false promises of financial reward if the witness were to testify falsely does not violate the statute because the statute "appears to require that the defendant mislead the witness as to the substance of his testimony"); United States v. King, 762 F.2d 233, 237 (2d Cir. 1985), cert. denied, 475 U.S. 1018 (1986) (false story which is not likely to mislead witness and cause him to testify falsely does not fall within the statutory prohibition).

Harassment within the meaning of section 1512(c) has been defined as "conduct that was designed and intended to badger, disturb or pester for the unlawful purpose or purposes as alleged in the indictment counts." United States v. Wilson, 796 F.2d 55, 58 (4th Cir, 1986), cert. denied, 479 U.S. 1039 (1987) (emphasis added). The term "harass" is meant to reach "thinly-veiled threats that create justifiable apprehension in a victim or witness" but not to reach "mere annoyance." See 128 Cong. Rec. H 8469 (daily ed. Oct. 1, 1982) (remarks of Congressman Rodino).

Finally, in addition to proof that the defendant has engaged in an act enumerated in section 1512(b) or section 1512(c), there must be proof of specific intent. The statute is not intended to reach conduct which is not intended by the accused to prevent the witness from testifying or otherwise assisting an official proceeding. 128 Cong. Rec. H 8469 (daily ed. Oct. 1, 1982) (remarks of Congressman Rodino).

There is not a shred of evidence that anyone at Wackenhut or Alyeska took any steps designed to interfere with Hamel's access to Congress or to discourage him from making use of his congressional connections. The Wackenhut investigators said nothing to Hamel which could possibly mislead him as to the substance of any environmental or health issues that could form the basis of any communication with Congress. Moreover, it is undisputed that it was never Wackenhut or Alyeska's intent to mislead or harass Hamel with the intent to influence his relationship with a congressional committee. The purpose of the undercover operation was at all times to identify the source of

the leaks of sensitive Alyeska documents that were coming into Hamel's hands illegally.

Because there was no intent to interfere with Hamel's role as a Congressional informant and no reasonable likelihood that the investigators' actions would influence the substance of any information that Hamel might provide to Congress, there is no basis for a charge under 18 U.S.C. § 1512.

F

**THE ACQUISITION OF THE MITI SOFTWARE BY THE WACKENHUT INVESTIGATORS DID NOT CONSTITUTE MAIL OR WIRE FRAUD**

There have been suggestions that the Wackenhut investigators violated the federal mail or wire fraud statutes in connection with obtaining the MITI software.

An element of both the federal wire fraud statute, 18 U.S.C. § 1341 (1988), and the federal mail fraud statute, 18 U.S.C. § 1434 (1988), is the specific intent to defraud. If there was no intention on the part of the Wackenhut investigators to defraud MITI or Hamel in connection with the acquisition of the software, there is no violation of the statute. As Mr. Richey testified during his appearance before the Committee on November 5, 1991, the circumstances leading to the acquisition of the MITI software were inconsistent with an intent to defraud. See Testimony of William L. Richey, Unofficial Hearing Transcript at 297-298. The Wackenhut investigators had been shown the MITI software by MITI representatives in the presence of Mr. Hamel. Alyeska understands that the investigators were told that an unspecified portion of the stolen Alyeska documents that were in Mr. Hamel's possession had been, in some fashion, reduced to data that was included in the data files associated with the MITI software program.

In seeking to obtain the MITI software, the investigators' objective was also to obtain the associated data files reflecting information about the stolen documents. Had this effort been successful, the data files themselves, in conjunction with the computer program that was necessary to access and utilize those data files, might have provided more information than was then available to Wackenhut about the number and nature of the stolen Alyeska documents in Mr. Hamel's possession. Seeking to obtain the software and data files under these circumstances clearly involves no intent to defraud.

As it turned out, when the software was furnished to the Wackenhut investigators, the data files, which contained the information of primary concern to the Wackenhut investigators, were not included, an event that had not been anticipated. However, this fact has nothing to do with the intent involved in acquiring the software.



295 North Maple Avenue
Basking Ridge, NJ 07920

December 12, 1991

Mr. Charles Hamel
101 Quay Street
Alexandria, Virginia 22314-2608

Dear Mr. Hamel:

As a follow-up to our December 3 and December 10 telephone conversations, I am reaffirming AT&T's policy regarding the disclosure of customer toll records. I also want to convey AT&T's concern regarding your reports of unauthorized disclosure of toll records for your account.

AT&T considers unauthorized disclosure of customer toll records a serious violation of company policy and the AT&T Code of Conduct. We are currently looking into this matter.

AT&T has a long standing policy of refusing to comply with requests by third parties for disclosure of customer toll records unless AT&T is provided with an appropriate legal request, such as a subpoena or a court order.

Consistent with this policy, AT&T's Code of Conduct, which governs the conduct of all AT&T employees, provides that customer records are to be held in confidence and carefully safeguarded. Such records are to be disclosed only upon proper authorization and in accord with lawful processes. Any violation of this policy can result in disciplinary action against an employee, including dismissal.

Sincerely,

Ray Sutherland

Ray Sutherland
AT&T Executive Staff

EXHIBIT 182



**Charles E. Griffin**
District Manager
Federal Regulation

December 20, 1991

Dear Customer

The Federal Communications (F C C ) requires us to inform our customers annually in writing of the following

1 As your communications carrier we possess records of your basic AT&T services (the F C C term for this information is "Customer Proprietary Network Information," or "CPNI"). It may include your name, address, account numbers, the AT&T network locations serving you, the types of services you use (business, residence, private line, switched network) and their quantity, usage, billing information, and network access arrangements.

2 Your AT&T records are guarded carefully It normally takes a court order for others to obtain them from us, unless you direct otherwise in writing.

3 AT&T may use your CPNI as a basis to talk to you about new services and/or equipment.

4 To continue this arrangement, no action is required by you as a result of this notice.

5 If you direct us in writing, we will give your CPNI to other telecommunications suppliers you designate

6 If you direct us in writing that your CPNI is not to be used by AT&T for its evaluations of your equipment and enhanced services needs, we will either refrain from marketing equipment and enhanced services to you, or will assign this aspect of your account to separate sales personnel who will be restricted from accessing your CPNI.

7 Your directions regarding CPNI may be permanent or temporary, and may apply to all of your CPNI or only part of it You may change previous directions regarding your CPNI, which otherwise will remain as they are now. Attached is a form which will facilitate any instruction you may wish to give us.

Thank you for taking the time to allow us to review this matter with you.

Sincerely,

Charles Griffin

Attachment

EXHIBIT 183

Attachment
December, 1991

**AT&T RESPONSE FORM**
**CUSTOMER PROPRIETARY NETWORK INFORMATION (CPNI)**

**NO ACTION IS REQUIRED ON YOUR PART AND YOU NEED NOT RETURN THIS FORM UNLESS YOU CHANGE YOUR CURRENT CPNI ARRANGEMENTS.** This form is for your use to make changes to the treatment of your CPNI. If you have any questions, please contact your AT&T Account Executive or call 1 800 222-0400, ext. 2402.

Account Name(s): _____

Billing Number(s) (Private Line Services): _____

Account Number(s) (other than Private Line Services): _____

Address(es): (Street): _____

(City): _____

(State & Zip): _____

Customer Contact Name/Title: _____

Telephone Number (including area code): _____

I. ☐ I have previously restricted use of my CPNI by AT&T. I now rescind that restriction.

II. ☐ Release my CPNI to other telecommunications suppliers, as designated below.

A. ☐ All suppliers who request my CPNI, or

B. ☐ Suppliers designated in the Comment space below.

III. ☐ I direct AT&T not to use my CPNI to market terminal equipment and enhanced services to me. This direction applies as follows:

A. ☐ Temporarily, until (Date) _____, or

B. ☐ Until I rescind the restriction; and

C. ☐ All of my CPNI, or

D. ☐ Part of my CPNI (please identify in Comment space provided below).

COMMENTS (Use reverse of Form, if needed): _____

_____

_____

_____

_____

_____ Date: _____
(Name - Please Print)

_____
(Authorized Signature/Title)

Mail this form to: AT&T
CPNI Coordination Center
1100 Walnut
P.O. Box 419548
Kansas City, MO 64179-0219



R. Bruce Barr
Director
Auditing & Security

Room B220
P.O. Box 1914
80 Columbia Turnpike
Morristown, NJ 07962-1914
201 829-7430

March 7, 1992

Linda J. Chase
Chief Counsel on Investigation
United States House of Representatives
Committee on Interior and Insular Affairs
483 Ford Office Building
Washington, D.C. 20515

Dear Ms. Chase,

I am Director, Auditing and Security for American Telephone and Telegraph Company ("AT&T"). By a letter dated October 25, 1991, I described for this Committee AT&T's strong and unequivocal policy of refusing to comply with requests from third parties for toll records of calls made by our customers unless AT&T receives appropriate legal process, such as a subpoena or court order, or the consent of the customer. As I noted in that letter, AT&T also has established agreements with local exchange carriers that similarly limit the circumstances in which they can disclose those records.

In November 1991, an attorney for Wackenhut, Mr. Richey, appeared before this Committee to express his opinion that records of long distance calls made by customers of telephone companies, such as AT&T, are not entitled to protection as confidential and private records.[1] Mr. Richey based his opinion on the following allegations he made to this Committee:

> (1) Mr. Richey understood "from other attorneys practicing law throughout the United States" that private investigators throughout the United States have had access to toll records for years and telephone companies, including AT&T, have known about this alleged fact for more than a decade;

---

[1] An official transcript of the testimony offered by Mr. Richey was not available to me as of the date of this letter. I therefore have based this letter upon excerpts made available to me from an unofficial transcript of Mr. Richey's testimony.

EXHIBIT 184

(2) Mr. Richey "suspected" that for years private investigators have obtained copies of toll records through contractors and subcontractors of the telephone companies and the telephone companies, including AT&T, have known for years about these alleged disclosures by their agents; and

(3) To Mr. Richey's knowledge, telephone companies, including AT&T, have never done anything to prevent these third parties from disclosing those records or otherwise to protect those records.

I submit this letter to rebut the allegations upon which Mr. Richey based his opinion and to inform this Committee, and the American public, of the actual facts regarding the extent of and circumstances surrounding the types of unauthorized disclosures that are at issue here. These allegations paint an inaccurate picture of easy, consistent and extensive access to toll records by persons not authorized by AT&T's policy to have access to those records. This picture is completely inconsistent with the facts as I know them and is based upon unsubstantiated "suspicions" and "understandings."

Mr. Richey's "understanding" that private investigators across the country for years have had access to toll records through contractors or subcontractors of AT&T is simply an unsubstantiated claim that is contrary to the facts I know. Nothing in my experience, or in the lengthy experience of my security managers, even remotely supports this claim. There may be an increasing demand for confidential records of all types from credit information to social security information and an increasing willingness of private parties to pay employees or agents to reveal confidential information. However, any rise in efforts to obtain improperly such records would not in any way detract from the confidentiality of those records.

Mr. Richey's "suspicion" that private investigators receive these records from contractors or subcontractors of telephone companies, including AT&T, and that these telephone companies have known that their agents have distributed toll records to private investigators for a decade is contrary to the facts known by me and my security managers. AT&T does receive requests from private investigators for disclosure of toll records. These requests are handled consistently with our established policy as noted in my letter of October 25th. That policy does not stand alone as a mere declaration of intent. Instead, AT&T aggressively maintains the confidentiality of its records. For example, AT&T's Code of Conduct clearly states, "customer billing records are protected from disclosure by Federal law and can be released to Government Agencies only pursuant to legal process at the direction of AT&T Corporate Security." The Code of Conduct is signed by the Chairman of AT&T and is reviewed annually with every employee. In addition, AT&T provides an 800 number for employees to "promptly alert the AT&T Corporate Security Organization whenever any dishonest, destructive or illegal act is observed, learned of or even suspected."

We do not undercut that policy, as Mr. Richey suspects, by allowing access to those records through the "back door" of our agents and contractors. If toll records were disclosed by a person not authorized by the telephone companies to do so, both the discloser and the recipient of those records would act in a manner deliberately calculated to conceal from the telephone companies the act of disclosure.

It is worth noting that Mr. Richey couched his assertion as to how private investigation firms obtain toll records as a "suspicion" he held. Mr. Richey's client Wackenhut, however, is an admitted consumer of toll records. If Wackenhut or Mr. Richey is aware of any instances in which an agent, or employee, of a telephone company has disclosed toll records to any private investigator in a manner inconsistent with that company's policy, they should provide the facts related to such instances to AT&T, or the appropriate telephone company, immediately. By disclosing those facts, Wackenhut or Mr. Richey would perform a significant service to this Committee and to the telecommunications companies working hard to protect the privacy of their records.

Finally, Mr. Richey asserted that AT&T has never done anything about improper disclosures of which it became aware. The exact opposite it true. I know of no instance in which AT&T discovered an improper disclosure of a toll record but failed to act appropriately, including termination of the employee.

In sum, Mr. Richey's argument cannot stand because the allegations upon which it is based are wholly unsupported and in my experience factually inaccurate. In my opinion the Committee's attention should not be distracted from the actual circumstances surrounding Wackenhut's acquisition of the toll records in question here, circumstances this Committee should fully explore.

Sincerely,

R B Barr

R. B. Barr

THE WASHINGTON POST ... FRIDAY, MAY 22, 1992

# Robb Funds Allegedly Used To Buy Records

## *Law Firm Aided Purchase, Court Told*

By Robert F. Howe
Washington Post Staff Writer

A Norfolk attorney for Sen. Charles S. Robb's campaign committee helped Robb staff members purchase the phone records of a private detective who was investigating Robb's personal life, Robb's former top aide said in court papers.

The records cost $2,375 and the bill was paid from Robb campaign funds but reported to the Federal Election Commission as legal fees, according to the statement.

The private investigator, Billy Franklin, had been hired by Republicans to investigate allegations about the private life of Robb, a Democrat, while he was governor in the early 1980s. Franklin later interviewed Robb acquaintances for a book he was writing about the Robb allegations.

David K. McCloud, Robb's former chief of staff, said in the court statement that he authorized the purchase after first balking at buying the records because he feared they had been obtained illegally. Federal agents now are investigating who sold the records and whether they were copies provided by former Franklin employees, sources said.

The assertions were made public in a filing Wednesday when McCloud, once Robb's closest political adviser, pleaded guilty in federal court to campaign fraud and wiretapping violations for playing a key role in securing and handling a secretly made tape of a phone call made by Gov. L. Douglas Wilder, Robb's intraparty political rival. The call, in which Wilder predicted that stories about Robb's private life would be his political undoing, was made on a car phone to a Wilder political supporter.

McCloud, in his statement, said Robb was informed from the beginning about how his staff obtained and later leaked to the media the contents of the tape—assertions that are at odds with Robb's public statement that he was only generally aware of the tape and that he had forbidden its release.

The statement does not suggest that the senator was aware of negotiations for Franklin's phone records.

McCloud's plea, combined with statements of two other former Robb aides who have pleaded guilty in the Justice Department's 11-month investigation focusing on the tape, depict an office in a virtual frenzy to discredit Wilder and protect Robb from allegations that he committed adultery and attended drug parties while he was governor in the early 1980s—charges Robb denies vehemently.

Robb, who voluntarily appeared before the Wilder tape grand jury in August, has denounced the federal probe as a witch hunt and assailed investigators for leaking information to the media.

According to the statements of McCloud and others, the obsessive drive to protect Robb ultimately extended to outside political advisers.

FEC reports show that the bill for Franklin's phone records was paid in May 1989 to the law firm of Hofheimer Nusbaum McPhaul & Samuels, and sources familiar with the case identified the man who allegedly handled the purchase as partner Robert C. Nusbaum.

Nusbaum declined through his secretary to comment about the case yesterday.

Nusbaum and his firm are considered among the best in the Tidewater area, according to lawyers there.

Peter W. Rowe, former president of the Norfolk-Portsmouth Bar Association, described Nusbaum as "a person who commands great respect." Another lawyer said Nusbaum is "above reproach."

Nusbaum's firm has played other roles in the case. Sources said it was Nusbaum's firm that McCloud asked to review the Wilder tape to determine whether it was illegal to obtain or circulate the tape.

McCloud said in court papers that two members of a Norfolk firm retained by Robb's campaign committee listened to the Wilder tape before any Robb aides heard it and "reported back to [McCloud] as to the information contained on the tape recordings which [McCloud] relayed to Senator Robb."

Federal law prohibits disclosing information gained from an illegally intercepted phone call, and McCloud pleaded guilty to conspiring with others to spread statements they heard on the Wilder tape.

Nusbaum also was present during meetings that McCloud had with former beauty queen Tai Collins, who has claimed on television and in print that she had an affair with Robb. Collins has said that the aides tried to keep her from going to reporters with her story.

According to McCloud's statement, the purchase of the phone records began when he was informed by a Norfolk lawyer, whom sources identify as Nusbaum, in early 1989 that two individuals "were offering to sell information, including telephone record information" that would identify sources for the book being prepared by Franklin.

Robb's staff had already obtained a secretly recorded telephone conversation involving Franklin. Franklin, a colorful Tidewater figure, was the subject of an FEC complaint filed by Robb's staff accusing Republicans of spending campaign funds to investigate Robb.

According to McCloud's statement, a $2,375 bill from the attorney for the purchase price of Franklin's phone records was initially returned because McCloud said "he could not pay the bill as submitted." The attorney then incorporated the price into a bill for $4,789.84 for "research services" submitted by Hofheimer Nusbaum McPhaul & Samuels, McCloud said.

McCloud pleaded guilty to a misdemeanor for misreporting the campaign expenses to the FEC.

The attorney delivered the phone records to McCloud, then used a special trust account to pay a second lawyer and a friend of one of the two people selling Franklin's phone records, the court papers say. It could not be learned who the second lawyer or two individuals were.

Franklin said yesterday that he was infuriated when he learned that his home and office phone records had been sold so that Robb aides could learn which Tidewater Republican was paying him to investigate Robb and who was giving interviews that would be used for his book on Robb.

Franklin said he was recently questioned by the FBI about his phone bills. He said he told investigators he had the original bills.

VERBAL HI-LITE ___ M.C.A. DATE 9/27/90
VERBAL ONLY ___ SALESMAN ___
WRITTEN ___ FREE ___ CHARGE $20.00
FAX ___
[redacted] 12 DTEC ATK.

Corp Daniel Lawn
d/b/a ___
Add: ___
Tel: [redacted]

CLIENT
Name Wackenhut
Add: Case # 401
Tel: ___
Contact: Rick

SUB / DIV / BRANCH / of: ___

T
O DTEC-570-70-7507.
A
S M1 OF 1 NM-LAUN,DANIEL,J,JR,SUSAN CA-[redacted],08/87
D FA-[redacted],99686,06/86 ES-ENVIR ENGINEER,ST OF ALASKA
[redacted] AGE 25A

END OF REPORT CBI AND AFFILIATES - 03/28/90

HW ___ Sales ___ Emp ___

| HIGH | PAYMENTS | | | DAYS | | | | TIME/YEARS | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | D | P | SLO | 10 | 30 | 45 | 60 | 90 | 120 | N | 1 | 3 | 5 |

Condition: Poor / Fair/ Good / Excellent

LAUN,DANIEL,J,JR,SUSAN SINCE 10/00/79 FAD 11/23/88 FN-405
[redacted],CRT RPTD 08/87
[redacted],CRT RPTD 06/86
[redacted],99686
01 ES-ENVIR ENGINEER,ST OF ALASKA,VALDEZ,AK,EMP 03/77,VER 05/87
[redacted]

**********

INQS-M B N A 8010N986 11/23/88

| FIRM/ID CODE | RPTD | OPND | H/C | TRM | BAL | P/D | CS | MR | ECOA | ACCOUNT NUMBER |
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[redacted]

D OF REPORT CBI AND AFFILIATES - 03/28/90
Old Line Company, [redacted]
Paying Well Presently - Good Sales Prospect F2R401671
Strong Parent Co - Credit Worthy Despite

Anchorage Daily News

VOL. XLVII, NO. 75 446 PAGES ANCHORAGE, ALASKA, SUNDAY, MARCH 15, 1992 PRICE 50 CENTS

MAR 27 1992

# Alyeska's spies obtained credit reports

## Evidence shows Wackenhut investigators got information on Hamel, DEC official

By RICHARD MAUER
Daily News reporter

A new trail of evidence uncovered in the aftermath of Alyeska Pipeline Service Co.'s 1990 spy operation indicates that Alyeska's investigators snooped through the personal credit histories of at least four of their targets.

If that is true, their activity could violate federal criminal law that protects the privacy of personal credit reports. The Fair Credit Reporting Act provides for penalties of a year in jail and a $5,000 fine each time a person intentionally obtains "information on a consumer from a consumer reporting agency under false pretenses."

Alyeska and the Wackenhut Corp. of Coral Gables, Fla., the private security company it hired to plug leaks of embarrassing and damaging corporate information, have maintained since their investigation became public in August that it was conducted legally.

But an investigation by Equifax Information Services of Atlanta, prompted by Daily News inquiries, showed the four credit histories were obtained by Wackenhut detectives in March and April 1990, just as their investigation for Alyeska was beginning.

Former Wackenhut investigators say the practice of obtaining credit reports, though illegal, was a common shortcut for preparing background profiles of investigative targets.

A spokeswoman for Equifax, one of the country's largest consumer credit reporting agencies, said because of the unauthorized releases it will no longer provide credit reports to the agency-middleman used by Wackenhut.

Only one of the four credit reports has turned up in the files subpoenaed by the House Interior Committee when it began looking into the matter. Alyeska said the Wackenhut investigators obtained that report in error after requesting a different, legitimate document from Equifax. The three other credit histories, along with dozens of other missing records sought by congressional investigators, have never surfaced in the case files.

Alyeska asked Wackenhut to uncover how its documents and information were leaking to critics, including former oil broker Charles Hamel of Virginia. Hamel passed his Alyeska tips to the press, Congress and government agencies.

Wackenhut and Alyeska have already admitted the investigators stole trash, obtained personal telephone

Please see Page A-13, CREDIT

EXHIBIT 187

# CREDIT REPORTS: Wackenhut obtained records

Continued from Page A-1

records from as yet undisclosed sources, took mail and documents in Hamel's possession when he wasn't looking and created a phony environmental organization to trick him into revealing his tipsters' identities.

Hamel was one of the four people whose personal credit histories were obtained. The others were Valdez bartender Robert Swift, who befriended two Wackenhut investigators when they came to town in undercover disguises; Robert Scott, a fired Alyeska worker who secretly supplied Hamel with evidence of air and water pollution at the Valdez terminal and of safety dangers; and Dan Lawn, the Alaska Department of Environmental Conservation official in charge of monitoring Alyeska's Valdez operations until the summer of 1989.

Lawn's credit report was the only one in the case files that Alyeska and Wackenhut turned over to the House Interior Committee, which has oversight of pipeline operations.

After congressional hearings in November revealed the extent of the Alyeska investigation, all four men asked Equifax whether anyone had sought their personal financial information.

The reports they got back didn't directly tie Wackenhut or its two lead investigators in the Alyeska investigation, Wayne Black and Rick Lund, to the private records.

But the Equifax reports showed that Mercantile Credit Associates Inc. of Fort Lauderdale, Fla., the company often used as a middleman by Wackenhut's Special Investigations Division, requested the credit histories of Hamel on March 19, 1990, and Scott and Lawn on March 28, 1990. The dates coincide with the start of the Wackenhut investigation.

Mercantile obtained Swift's credit history on April 20, 1990.

Swift first met Lund and another Wackenhut operative, Gary Crep, when they went undercover in Valdez from April 2 to April 10, 1990, in an unsuccessful effort to entice Alyeska workers into tattling on the company. According to Swift's recollections and memos that Lund sent to Alyeska, the two investigators met Swift at the Club Bar and spent several evenings pumping him for information.

Hamel, Swift, Scott and Lawn all say they had no dealings with Mercantile that would have prompted the firm to run a legitimate credit check.

Black didn't return several phone calls placed to his new bureau in Miami, Wayne Black and Associates.

Lund, who still works at Wackenhut, also didn't return calls. His attorney, Allan Weinstein of Miami Beach, said, "To my knowledge, there has never been an illegal use of credit information or improper obtaining of credit information."

Alyeska's spokeswoman, Marnie Isaacs, wouldn't discuss the subject. Nor would Pat Cannan, Wackenhut's spokesman.

## TRAIL TO WACKENHUT

**Tina Black, an Equifax spokeswoman in Atlanta, said its internal investigation showed that Mercantile provided the four credit reports to Wackenhut. As a result of its investigation, Equifax severed its business ties to Mercantile on March 5.**

**"They were not able to demonstrate there had been a permissible purpose" for obtaining the credit reports, she said.**

**An owner of Mercantile, Wally Iroff, said he had no records to show who at Wackenhut requested the information or for what purpose it was sought. But, he said, he had a longstanding agreement with Wayne Black, Wackenhut's director of special investigations, to provide credit histories for legitimate employment background checks.**

**"You rely upon a company the size of Wackenhut because Wackenhut has a good reputation," Iroff said. "You don't look at these things each time (a request from Wackenhut arrives) — you're dependent on them telling the truth. In 99 and 44/100ths of the time, Wackenhut was doing employment verifications. If in five one-hundredths percent it's something else, it's almost impossible to determine."**

**Tina Black said Mercantile, one of dozens of small information brokers it allows into its huge database, was required by contract to keep records on each credit history request for at least two years. But when Equifax investigators showed up at Mercantile looking for evidence that the four credit reports were properly obtained, Mercantile was empty-handed, she said.**

**Iroff blamed inexperienced employees for discarding records too soon.**

**Federal law allows credit reports to be given out only when a consumer is requesting credit or some other benefit, has applied for a job or an insurance policy, or a court has issued a subpoena.**

**"If you don't fit into those categories, they're not supposed to give it out," said David Medine, associate director for credit practices of the Federal Trade Commission.**

## 'ILLEGITIMATE' REQUESTS

**Several former Wackenhut investigators have told Congress and Florida state authorities that Wackenhut's**



Dan Lawn



Robert Swift

> *"You rely upon a company the size of Wackenhut because Wackenhut has a good reputation. You don't look at these things each time (a request from Wackenhut arrives) — you're dependent on them telling the truth."*
>
> — Mercantile owner Wally Iroff

Special Investigations Division routinely obtained unauthorized credit reports from Mercantile to profile investigative subjects.

Rafael Castillo, a former police detective and government agent who worked at the Wackenhut division for several months in 1991, said in a telephone interview from Florida that Wackenhut usually used one of its own subsidiaries when it had a legitimate reason for a credit report. "Mercantile was only for the illegitimate ones," Castillo said.

Castillo resigned in protest over the activities he saw in Black's division, and reported them to a Wackenhut vice president and its legal counsel. Neither took any action, he said.

Black wasn't fired until December, a month after the congressional hearings.

During those hearings, Rep. Bill Richardson, D-N.M., waved Lawn's credit report in the air as he questioned George Wackenhut, the founder and chairman of the company.

"My question is why would an investigation on purloined (Alyeska) documents obtain financial records of a public official like Mr. Daniel Lawn?" Richardson asked.

"I don't know, sir," Wackenhut said.

After the hearing, Alaska officials directed Alyeska to explain the credit report. Alyeska wrote back that Wackenhut had asked for an Equifax "DTEC" on March 29, 1990 — a document that contains only a subject's current address. Until a Federal Trade Commission ruling in May 1990, it was legal to provide a DTEC to anyone. Alyeska said the full credit report was provided in error, and offered no further explanation.

Alyeska has also never explained why its investigators would need a credit agency to provide Lawn's address in Valdez when he could easily be found at his office. However, on March 30, 1990 — two days after Lawn's credit report was ordered — Wayne Black told Alyeska security chief Pat Wellington in a memo that Wackenhut agents were preparing a "background" on Lawn and others whom Hamel had called from his home telephone.

But Equifax spokeswoman Black said her company was asked for full credit histories on all four men, including Lawn, and not just a DTEC.

After Wackenhut operatives Lund and Crep returned from Valdez in April 1990, Wackenhut ran an extensive background check on Club Bar bartender Swift.

The result of that investigation was a two-page memo on Swift that Lund sent to Wellington on April 25, five days after Mercantile received Swift's credit history. Under the heading "Financial Information," Lund provided the same three lines of data that appear on Swift's own credit report.

Lund also learned that Swift had been the victim of an attempted murder in Florida in 1987.

In an interview, Swift said he fled to Alaska because the crime never was solved. He has deliberately avoided obtaining credit since coming to Valdez to keep his current whereabouts out of the computers of companies like Equifax, he said.

Iroff of Mercantile said Swift's address in Valdez would have been added to Equifax's database at the time his staff got the credit report for Wackenhut.

Other Wackenhut memos show that an extensive financial profile of Hamel was also prepared for Wellington, though the source of that data was not identified. In a memo to Wellington on May 7, 1990, Lund said that "using Hamel's Social Security and date of birth information," he obtained the current bank balance of a Hamel account at Credstar Bank.

Several Credstar accounts are listed on Hamel's credit history.

"It's very disturbing," said Hamel. "There's a federal law that says it's a crime for someone to obtain the credit report without my signature and my wife's agreement."

"The Justice Department is the only one who could go after them criminally," said Medine, the Federal Trade Commission spokesman. But that rarely happens, he said, because most federal prosecutors consider misdemeanors too small to bother with.

[Brochure]

# FOR SALE: DATA ABOUT YOU

*From a sales brochure distributed in 1990 by Nationwide Electronic Tracking (NET), an information-brokering company located in Tampa, Florida. Last December the FBI identified NET as the center of a nationwide organization that illegally obtained and sold information, stored in government computers, about private individuals. According to the FBI, NET paid employees of federal agencies, including the Social Security Administration and the Secret Service, to procure records from various computer networks that are easily accessible to thousands of government workers. The accessed networks included the FBI's National Criminal Information Center, private credit-reporting systems, and the Social Security Administration's computer database, which holds personal data, employment histories, and salary information on about 200 million Americans.*

In our complex, fast-moving society, information is a constantly changing resource. Every day billions of records and documents, containing information on millions of people, must be revised and updated. Sorting through it all for the one particular bit of information you need can be time-consuming and expensive—a frustrating series of false starts, dead ends, and legal barriers. Unfortunately, getting reliable information, and getting it quickly, can often mean the difference between success and failure.

Nationwide Electronic Tracking (NET) can get the information you need—when you need it. NET is a high-speed computer-based telecommunications network, designed to gain instant access to difficult-to-obtain "confidential" information from more than 1,000 sources nationwide. Credit-bureau reports, Social Security searches, electronic cross-directories, and criminal, motor vehicle, and driving records are just a few of the kinds of information NET can obtain faster than the competition.

## GUIDE TO SERVICES

HOME ADDRESS
PROVIDES SOCIAL SECURITY NUMBER

With name and address, will conduct nationwide search for Social Security number.

2 hours, $10

SOCIAL SECURITY NUMBER
PROVIDES HOME ADDRESS

With Social Security number, will obtain name and home address.

1–2 hours, $7.50

RESIDENT IDENTIFIER

Gives names of current residents at a given address.

1 hour, $10

STREET ADDRESS
OF POST OFFICE–BOX RENTER

With subject's name, box number, city, state, and zip code, will obtain renter's street address.

1–2 weeks, $50

NATIONAL NEIGHBOR UPDATE

With subject's name and address, will obtain names, phone numbers, and addresses of up to nine current neighbors.

1–2 hours, $10

EMPLOYMENT SEARCH

With name and Social Security number, will obtain current place of employment.

1 week, $75

EMPLOYMENT HISTORIES

With name and Social Security number, will obtain recent places of employment and subject's earnings.

last three years: 3–5 days, $100
last five years: 3–5 days, $120
last ten years: 3–5 days, $175

WORKMEN'S COMPENSATION CHECK
(FLORIDA ONLY)

With subject's Social Security number and last known address, will obtain any claims filed.

24 hours, $25

CREDIT REPORT

Subject's credit history.

1–2 hours, $10

MOTOR VEHICLE INFORMATION

With title number, vehicle number, or license plate number, will obtain name and address of

owner, make of vehicle, and license plate number.
Florida, Texas, or New York: 1 hour, $10
all other states: 2–4 days, $20

DRIVER'S LICENSE RECORD

With driver's license number, will obtain home address, traffic violations, and DUI [Driving Under the Influence] charges. We can also obtain information with only individual's name and date of birth; add three days and $30 for this service.
24–48 hours, $15

CRIMINAL HISTORY

With name, date of birth, sex, and race, will obtain criminal history.
1 week, $100

NEWSDAY
DATE: Thursday December 19, 1991
PAGE: 68 EDITION: HOME
SECTION: NEWS LENGTH: MEDIUM
SOURCE: By Phil Mintz, STAFF WRITER

# CORAM MAN ACCUSED OF DATA FRAUD
# 18 CHARGED WITH RIFLING FEDERAL COMPUTER FILES

A Coram man is one of 18 people in nine states charged in federal indictments yesterday with buying and selling confidential data stored in government computers — information they allegedly sold to private companies that used it to locate people, or to make decisions on hiring, firing, suing or lending.

Richard Stone, 39, of Coram, owner of Interstate Information Services in Port Jefferson, was charged in two of three indictments unsealed in Newark yesterday. Stone, whose exact address was not available from prosecutors, faces up to 110 years in prison and $4 million in fines on the charges, officials said.

"Confidential government files and a U.S. citizen's right to privacy should not be sold to the highest bidder," Michael Chertoff, the U.S. Attorney in Newark, said yesterday in a statement announcing the indictments. "The information that resides in government data bases is not a commodity in which government employees should traffic and from which others should profit."

Seven other indictments were unsealed in Tampa, Fla.

The indictments allege that the operators of several investigative services paid for personal information illegally obtained from the Social Security Administration and the FBI's National Crime Information Center computers. Also charged were two Social Security employees, including a man who works in the Bronx, a police officer from Chicago, and a sheriff's department employee from Fulton, Ga.

The Social Security employee from the Bronx was identified as John P. Colesanti, 44. No exact address was available for Colesanti, who could not be reached for comment.

The defendants either bribed or duped government workers to provide the confidential information, Chertoff said. The private investigators, many of whom advertise in legal journals, then sold the information. Prosecutors last night declined to identify or characterize any of the victims.

Stone was arrested and processed before a federal magistrate yesterday, said Dick Lavinthal, a spokesman for Chertoff. Stone has an unlisted telephone number and could not be reached for comment last night.

According to one indictment, Stone sought out public employees and others with access to confidential employment and earnings information in government computers and asked these people to obtain the information. He then allegedly sold the information.

Stone allegedly conspired between January and June with Linda Stollenwerck, a claims clerk at the Social Security District Office in Melrose Park, Ill., and, between Feb. 25 and May 31, they are charged with gaining access to the Social Security computer system to obtain the confidential earnings and employment information of an individual.

The indictment also alleges that earlier this year Stone illegally gained access to the NCIC computer system from a Texas computer "under the pretense of official law enforcement use."

In a separate indictment, Stone is charged with five other defendants with conspiring to bribe a public official, conspiring to gain access to a federal computer to defraud the government, and conspiring to disclose the illegally obtained information. The alleged activities occurred from about December 1988 to May 1990.

All of the defendants were charged under the 1986 Computer Fraud law and face maximum sentences of between 20 and 150 years, as well as multimillion dollar fines, if convicted on all counts. Those arrested yesterday were processed before federal magistrates in the districts in which they were arrested. They are due to be arraigned before a federal judge in New Jersey within the next two weeks.

KEYWORDS: SOCIAL SECURITY COMPUTER FRAUD CRIME RICHARD STONE INTERSTATE INFORMATION SERVICES PORT JEFFERSON BUSINESS ETHIC INDICTMENT JOHN P COLESANTI ARREST END OF DOCUMENT.

STAR-LEDGER
DATE: THURSDAY December 19, 1991
EDITION: FINAL
SECTION: NEWS LENGTH: MEDIUM
SOURCE: By ROBERT RUDOLPH

# 'SNOOPER' NETWORK SMASHED

U.S. authorities in New Jersey disclosed yesterday they have uncovered a network of "information brokers"

which has been illegally obtaining access to private government computer files on individuals.

Authorities said the network has created a sort of underground "Big Brother" system, capable of prying into the private lives of American citizens and peddling the data on a national black market.

U.S. Attorney Michael Chertoff said the disclosures represented only the "first phase in an investigation of national scope" and vowed to "track down" the individuals responsible for leaking the secret data.

Details of the black market information operations were exposed yesterday following the indictment of 18 persons by federal grand juries in New Jersey and Florida on charges revolving around the illegal sale of confidential government files.

The information included employment records, occupations, salary data, criminal records, current addresses and ages as well as other materials routinely stored in government computers.

Federal officials said that among the sources of confidential information obtained by the information brokers was a former operations manager at a U.S. Social Security Administration office in Toms River as well as Social Security employees in New York and other states. They said a New Jersey private detective also acted as an intermediary in the supply of secret information.

Neither individual was criminally charged and both are believed cooperating in the probe.

Authorities charged that information was obtained in some cases by bribing government employees and said the confidential data was sold to insurance companies, attorneys and private investigators for use in everything from background checks to divorce cases.

U.S. prosecutors in New Jersey stressed, however, the charges were only the "tip of the iceberg" of an expanding investigation.

"We don't think it stops there," declared one federal prosecutor, adding that one government employee with access to confidential files "could provide hundreds of thousands of records."

"We're looking at everything," declared Assistant U.S. Attorney Jose Sierra.

Among those charged yesterday were operators of "information" services located in California, Arizona, Texas, New York, Idaho and Washington state as well as a Chicago police officer and a Georgia sheriff's office employee.

In addition to Social Security files, authorities said some of the suspects obtained access to information contained in the FBI's National Crime Information Center (NCIC) computer system in Washington, D.C.

"What they're taking is privacy," declared Chertoff, whose office is spearheading the probe along with the FBI.

Chertoff charged the looting of computer files "strikes at the heart of vital government functions" and said there was "nothing more chilling" than attempting to "turn government computers into a private form of Big Brother."

Chertoff said the activities detailed in the indictments made public yesterday portrayed an "emerging" and expanding form of criminal activity that he likened to high-tech theft.

Jeremiah Doyle, assistant special agent in charge of the FBI office in New Jersey, said, "The real concern and danger comes from the human viruses of greed and corruption."

At the same time, Chertoff stressed that authorities are using computers to track down the sources of the illicit data.

"When people access computers," Chertoff said, "they leave electronic fingerprints which are the high-tech equivalent of a broken window."

Those charged by the New Jersey grand jury were: Edward Fleming, 58, president of Super Bureau of Monterey, Calif.; his daughter, Susan Fleming, 44, an employee of the agency; Victor Fought, 44, the operator of Locate Unlimited of Mesa, Ariz.; George T. Theodoreakopolous, 51, owner of Tracers Worldwide Services of Corpus Christi, Texas and Elmhurst, Ill.; Richard Stone, 39, owner of Interstate Information Services of Port Jefferson, N.Y.; and Michael Hawes, 28, owner of International Criminal Investigative Agency of Port Angeles, Wash.

The indictment charged all six defendants with conspiring to access a federal-interest computer to defraud the government.

Authorities said Joseph Lynch, a former operations supervisor at the Toms River Social Security office, was identified in the indictment as the source of some of the confidential data. Authorities charged that Lynch received an undisclosed sum of money for the information. No charges have been filed against Lynch.

A separate indictment filed in New Jersey charges Linda Stollenwerck, an employee of a Chicago area Social Security office, with violation of computer access laws.

Also charged in New Jersey were Allen Schweitzer, 31, owner of the Security Group of Sumner, Wash., and his wife, Petra Schweitzer, 30.

The Florida indictments charge: Joanna Price, 41, a former Social Security employee from Phoenix, Ariz.; Robert Scott Brassam, 43, of Phoenix, Ariz.; Jack Edward Hauser, 37, an information broker from Grand Rapids, Mich.; Ronald John Ciansiosso, 40, an information broker in Coral Gables, Fla.; John Colesanti, 44, a Social Security employee assigned to the agency's South Bronx, N.Y. office; William Lawrence Pedersen, 45, a Chicago police

officer; Janet Gail Mullinax, 40, a private investigator from Lithia Springs, Ga.; Robert Mallory Bolland, 42, a terminal operator in the Fulton County (Ga.) Sheriff's Office, and Frank Farrington, 56, of Seattle, Wash.

"Confidential government files and a U.S. citizen's right to privacy should not be sold to the highest bidder," Chertoff said. "The information that resides in government data bases is not a commodity in which government employees should traffic and from which others should profit."

END OF DOCUMENT.

THE WASHINGTON POST
DATE SATURDAY December [illegible], 199[illegible]
PAGE A01 EDITION FINAL
SECTION FIRST SECTION LENGTH: MEDIUM
PHOTO-MUG
SOURCE Married [illegible]
[illegible] Post Staff Writer
MEMO
STORY-TYPE: NEWS NATIONAL

# THEFT OF U.S. DATA SEEN AS GROWING THREAT TO PRIVACY

Need somebody checked out? Just call "Nationwide Electronic Tracking," or NET, the company that "Gets the Information You Need-When You Need It."

So boasted a sales brochure sent out last year by the Tampa firm claiming "instant access" to a wide range of "confidential" computer data. For fees ranging from $5 to $175, NET promised, it could provide customers with data on virtually anyone in the country-private credit reports, business histories, driver's license records, even personal Social Security records and criminal history backgrounds.

NET may have seemed like a boon to companies trying to check out job applicants or even homeowners suspicious of their new neighbor across the street. But some federal officials say it also was evidence of a growing computer-age menace — the fledgling "information broker" industry that some experts fear may pose one of the most serious threats to individual privacy in decades.

Law enforcement officials say that as the demand for personal data grows, information brokers are increasingly turning to illegal methods. Last week, NET was identified by the FBI as one player in a nationwide network of brokers and private investigators who allegedly were pilfering confidential personal data from U.S. government computers and then selling them for a fee to lawyers, insurance companies, private employers and other customers.

The information broker investigation involved what officials say was the largest case ever involving the theft of federal computer data and was all the more striking because it was essentially a series of inside jobs. Among the 16 people arrested by the FBI in 10 states were three current or former Social Security Administration employees (in Illinois, New York and Arizona) charged with selling personal records contained in SSA computers.

Those records, retained for about 200 million Americans, include a person's Social Security number, full name, place of birth, date of birth, names of both parents, names of all current and past employers, and the person's salary — year by year — since he or she began working, said Philip Gambino, chief spokesman for the SSA.

Also arrested was a Chicago police officer and a terminal operator at the Fulton County, Ga., sheriff's office. Both were charged with illegally retrieving criminal history records from the FBI's National Criminal Information Center (NCIC), another highly sensitive database that contains records of about 15,170,000 arrests compiled from local law enforcement agencies around the country.

About 62,000 police and criminal justice agencies have access to the system, and "within each agency there may be dozens of authorized users," said a congressional staff member who has studied the problem. "So it's very hard to identify anomalous or improper transactions."

In effect, law enforcement officials said, information brokers like NET were bribing the government employees to run computer checks on individuals for as little as $50 a pop. Computer checks were being run "on thousands of people," said Jim Cotos, regional inspector general in Atlanta for the Department of Health and Human Services, whose office launched the investigation.

"This was not a once-a-week activity," said Cotos. "These guys (the information brokers) were making big bucks. We're talking about a couple of hundred thousands dollars a year."

To many experts, the case suggests that "insider" information trading may be far more widespread than previously suspected. For the past several years, while the news media have focused on the threat posed by outside computer hackers, law enforcement officials have been making a growing number of cases against computer "insiders" who sell data to private companies.

Last May, for example, a Virginia State Police officer was indicted on charges of selling NCIC records to two Prince George's County private investigators, who allegedly charged clients $200 for each criminal record check. In

other recent cases, public employees have been charged with illegally selling and in some cases, altering driver's license records, Social Security records and a wide variety of other government data supposedly protected by privacy laws.

"The public is abysmally uninformed about problems like this," said Peter Neumann, a computer security expert and principal scientist at the computer science laboratory at SRI International, a Menlo Park, Calif., think tank. "With sufficient access to a few databases these days, you can get pretty close to somebody's life history with nothing more than a Social Security number."

Among federal officials, the information-broker case is particularly troubling because it appears to indicate routine penetration of the NCIC. The security of the FBI's database has long been a concern to civil libertarians, because roughly half of its arrest records are incomplete, failing to record whether charges were dropped or even whether a suspect was ultimately acquitted.

But as the information-broker case illustrates, tapping in to the NCIC is shockingly simple.

"It's such an easy way to make a buck if you're a policeman," said Rep. Don Edwards (D-Calif.), chairman of the House Judiciary civil and constitutional rights subcommittee, who intends to hold hearings next year on access to the NCIC. "You just go in and press a few buttons and then walk out and put (the NCIC printout) in your pocket."

Indictments handed up by federal grand juries in Tampa and Newark allege that one of the prime sources for the information brokers was William Laurence Pedersen, a Chicago police officer assigned to the department's organized crime section who ran a private investigative firm on the side.

why they wanted SS numbers!

In exchange for payoffs, one indictment charges, Pedersen arranged between Feb. 9, 1990, and Jan. 25, 1991, for NCIC criminal history information on 46 people, using computer terminals at offices of the Drug Enforcement Administration at O'Hare International Airport, the Illinois State Police, the Cook County state's attorney, the U.S. Postal Inspection Service in Chicago and Chicago police headquarters. The indictment does not specify whether Pedersen might have personally signed on to these computers or arranged for associates at the agencies to do so for him.

Another key source named in the indictments was Robert M. Boland, the Fulton County sheriff's terminal operator alleged to have conducted NCIC checks for a Lithia Springs, Ga., private investigator for $240 apiece. And in an indictment handed up in Tampa, "unknown co-conspirators" are charged with tapping into the NCIC from computers at a Secret Service office in New York, the Army provost marshal's office at Fort Benjamin Harrison, Ind., and the U.S. attorney's office in St. Croix, Virgin Islands.

According to Cotos, the investigation began 18 months ago when someone sent a copy of the NET sales brochure to HHS investigators in Atlanta. The brochure included a detailed "guide to services, availability and prices." Individual credit reports could be had for $10 apiece; employment histories ranged from $100 to $175, with availability in three to five days; and criminal histories cost $100 apiece, provided within a week.

Cotos said HHS investigators then approached the two principals of NET, who agreed to plead guilty to one count each of disclosing tax-related information and then cooperate in a wider investigation. NET's two principals, Scott L. Strady and Roger D. Burich, could not be reached for comment, and the firm's Tampa phone number has been disconnected.

Rather than bribing the government employees directly, officials said, NET had been compiling its information through private investigator contacts in Arizona, Washington state, Georgia, Illinois and other states.

So the HHS investigators set up dummy transactions through NET, "planting" names of people it wanted checked and then alerting FBI and Social Security Administration officials so they could be on guard when employees punched those names into the government computers. "We bought the information from those guys (NET) and then sat back and saw where they got it," said Cotos.

Cotos said HHS and the FBI are still investigating the ultimate consumers of the network, and are still uncertain as to what all the personalized information was being used for. While private employers and insurance companies seem to have been the principal end users, Cotos said he has not ruled out the possibility that the information was being used for a range of other improper purposes, including blackmail, or even by drug dealers seeking to check out their customers.

"Probably the biggest concern we have is we have no control over where that information goes," said Cotos. "It could be used for anything and that's scary." CAPTION: REP. DON EDWARDS. KEYWORDS:

NAME: william laurence petersen; robert m. boland
ORGANIZATION: national criminal information center; social security administration; nationwide electronic tracking
SUBJECT: Privacy; Data processing services; Computers; Computer crimes; Burglary and theft and larceny; Indictments
SLUG: A01-THE
END OF DOCUMENT.

**REPORT OF INVESTIGATION**
**SPECIAL INVESTIGATIONS DIVISION**

**TO:** PAT WELLINGTON

**FROM:** RICK LUND

**DATE:** SEPTEMBER 12, 1990

**RE:** 427 PROJECT

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Sherree Rich received notification in Washington that for the rest of this week alterations are being done in the offices there to replace the light fixtures in each of the respective offices. I verbally assisted her with removal of the audio equipment installed in the ceiling void to avoid detection by workers. Additionally Sherree spoke to Patricia Young, the manager of Marketing there and advised her that her boss protested workers doing any work in the offices without her being present due to the expense of the computer and the information inside of it which was considered sensitive.

Young stated that she would postpone the work in The Ecolit office, however, I have made no such comments regarding our office suite at International Trading.

As a result of this we should suspend undercover operations in that area until I have the opportunity to go up there and assess the extent of the construction taking place and whether or not our covers hold in the office suite. Hopefully, that will only be the

end of this week and by next week we can restore the operatic
continue unobstructed.

On the same subject, but a different note I have been advisec
the more inexpensive of the worm drives has been discontinue
was never manufactured to interface with a PS2 con
unfortunately. I have opted to attempt to purchase Panasonic
a PS2 interface, however, I am told that it will be approxin
two weeks before the interface cards for a PS2 computer wi
available. This delay will also affect the schedule of opera
for this case which we can either opt to endure the delay or
go ahead and purchase a more expensive worm drive for the comp
As of this date I have yet to order a worm drive for the con
in Washington. If you advise me that speed of operation is
imperative then cost with regards to this I will go ahea
purchase a more expensive drive, but with regard to the
problem I would go ahead and just stand for the delay becau
may be delayed a week before we can meet with Hamel as a resu
this light fixture problem. I will keep you advised as I
more.

RL:jl
427.A23

PRIVILEGED WORK PRODUCT INFORMATION

PAUL, HASTINGS, JANOFSKY & WALKER

[illegible] MEMORANDUM

[illegible]

TO File - TAPS

DATE January 7, 1991

FILE NO 18970.50899

FROM Dorothy Y. Kirkley - ATL

COPIES TO

SUBJECT Interview with Steve Dietrich

On November 14, 1990, Leonard Janofsky, Joel McIntyre and I interviewed Steve Dietrich. The following is a summary of my recollection of the interview with Dietrich and my mental impressions, conclusions, opinions and legal theories based on our interview.

McIntyre advised Dietrich that we were representing the TAPS Owners Committee and giving it legal advice in connection with a review of the investigation which Wackenhut had conducted of leaks at Alyeska. McIntyre advised Dietrich that we were not representing Dietrich individually and that he was entitled to be represented by personal counsel of his choosing. Dietrich elected to proceed without counsel. McIntyre explained that Dietrich should understand that we would report whatever he told us to the Owners Committee. McIntyre also explained that because Dietrich had been employed by Alyeska, his communications with us are privileged attorney client communications and that he should treat them as such. Additionally, all matters related to the

FIR303221



EXHIBIT 191

Alyeska investigation should be treated as highly confidential.

Dietrich graduated from the University of Texas in 1965 with a degree in Accounting. Since that time he has always been an Exxon employee, including the period when he was on loan to Alyeska. He has held numerous financial positions at Exxon including internal audit, financial analysis, head of the accounting department, forecasting earnings, controller of the land management subsidiary, audit manager and Vice President of Human Resources and Administration at Alyeska. Dietrich went to Alyeska in May of 1983 and returned to Exxon on April 28, 1990. During the time that Dietrich was a Vice President of Alyeska, he remained an Exxon employee and was termed a "loanee". The number of loanees provided by the TAPS Owners varies. The number of loanees has been higher during construction and after the Valdez oil spill. Between construction and the oil spill there were generally eight to nine loanees who were the officers of Alyeska.

While Dietrich was at Alyeska, Wellington reported directly to Dietrich and Dietrich reported directly to Hermiller. Dietrich described his relationship with

Wellington as open and said that he tried to stay aware of the major issues being handled by his department managers. Dietrich stated that since returning to Exxon on April 28, 1990, he has had nothing to do with Alyeska or the Wackenhut investigation.

In March, 1990, Wellington told Dietrich that Hermiller had authorized a special operation to discover the source of leaks. Wellington said that he would report directly to Hermiller for security reasons. Dietrich did not have any problem with this reporting relationship although it was unusual. Dietrich noted that normally the legal department would have been involved but because of the apparent leak in the legal department, it was understandable that legal was not involved initially.

Dietrich stated that after he first heard of the investigation he met briefly with Wellington and Hermiller together and made the following points: (1) the operation had to be completely legal and moral; (2) that Hamel was very clever and that the operation needed to avoid any exposure for Owner Companies; and (3) he asked if Hermiller had talked to the Owners. With respect to this last point, he said that Hermiller said

that he had called or was going to call Garibaldi, Chairman of the Owners Committee. Dietrich said that it was typical to advise the Chairman of the Owners Committee of matters and then the Chairman would decide what, if anything, to present to the entire Committee. Dietrich did not follow up on whether Hermiller talked to Garabaldi or any of the other Owners.

Dietrich stated that he had complete confidence in Wellington's ability and judgment to run such an operation. Dietrich believed that Wellington was sensitive to the fact that Hamel was clever and well connected and thus that the investigation posed some risks.

Also, at the beginning of the investigation Dietrich instructed Wellington that he needed to ensure that all of the expenses for the undercover operation were "on the books" of Alyeska.

Dietrich was originally scheduled to return to Exxon in 1989 but agreed to stay on following the Valdez oil spill which occurred in March of 1989. He said that after the oil spill, he was involved in matters relating to it. When he first learned of the Wackenhut investigation, probably in March of 1990, his departure

had already been announced. For this reason and because Wellington was reporting directly to Hermiller, he decided not to get personally involved. Just before Dossinger came on board as his replacement, Hermiller told Dietrich not to brief Dossinger on the investigation. Dietrich had no meetings or conversations with Wackenhut about the matter and no ongoing relationship with Wackenhut.

Sometime after his first conversations with Hermiller and Wellington about the investigation, he heard that it was kicked off. He knew that Wellington was going to Miami to talk to Wackenhut and he believes that he signed an approval form for Wellington to go to San Francisco for the May 23 meeting.

Dietrich knew that Hamel was going to be in Alaska for an environmental conference in March and thought that Wackenhut was going to send two people to the conference. He knew that there was an undercover company established for the purpose of getting information from disgruntled employees. Coincidentally, Dietrich saw Wellington and two investigators at the Captain Cook during the conference. Dietrich also observed that Hamel was there that night.

Although Dietrich did not have any ongoing relationship with Wackenhut nor did he participate in the selection of Wackenhut for this job, he was comfortable with the firm because it is a major investigative firm. He said that he continued to stress the importance of the legality of the operation and he believed that Wackenhut's lawyers were involved.

Dietrich knew that Hamel had been an aide to Congressman Gravel and first established his contacts in Washington during that job. Dietrich also understood that Hamel claimed that he had lost millions on tanker shipments because the oil was watered. Dietrich described this as a problem caused by Hamel because of the way he negotiated his contracts, rather than the result of misconduct by the oil companies or by Alyeska. Dietrich does not believe that Hamel has any genuine environmental concerns. His supposed concerns date from his failed oil tanker business. It is Dietrich's perception that Hamel is able to pull strings with Congressman Miller. Dietrich believes that Quinn O'Connell, a Washington, D.C. lawyer for Alyeska, could be helpful in discussing Hamel's influence with the

federal government. Additionally, Hamel may know staff for Congressman Dingle.

Dietrich speculated that Hamel can get documents because Alyeska is very different from other places where he has worked. He says employees are less loyal and can be more anti-company than in other places. In this regard, he would view Scott as being somewhat typical of this segment of employee.

Dietrich commented that Hamel created a lot of extra work for the oil companies. He said that he caused a substantial waste of resources and management time in responding to his charges. For example, Dietrich believes that Hamel was able to get a long term employee to claim that she had falsified documents at the company's request. The company was then forced to rebut these claims.

One of Hamel's claims is that the pipeline is corroding. Dietrich mentioned that he had some responsibility for the corrosion investigation program. This is an ongoing project to evaluate the pipeline and particularly a nine mile stretch that does have problems. The nine mile stretch is going to be replaced. The defects are the result of the tape on pipeline which has

PAUL, HASTINGS, JANOFSKY & WALKER



failed. Dietrich advises that the Department of Transportation is involved and fully aware of the issues. Hamel has played some role in getting publicity about the pipeline corrosion problem. To Dietrich's knowledge, however, there have been no particular leaks of information from Hamel about the corrosion issue.

Dietrich supplemented this information in a telephone call he made to Joel McIntyre of PHJ&W on November 19, 1990. A memorandum summarizing the supplemental information thus provided by Dietrich is attached hereto and by this reference incorporated herein the same as though set forth at length.

Dorothy Y. Kirkley
for Paul, Hastings, Janofsky
& Walker

DYK/leg

(5.0) PC#135/TAPS/DIETRICH.MEM
01/15/91 3:15 pm

PAUL, HASTINGS, JANOFSKY & WALKER

PRIVILEGED AND CONFIDENTIAL
ATTORNEY CLIENT COMMUNICATION
ATTORNEY WORK PRODUCT PREPARED
IN ANTICIPATION OF LITIGATION

**MEMORANDUM**

TO Leonard S. Janofsky - WLA

DATE November 19, 199

FILE NO 18970.50899

FROM Joel F. McIntyre - LA

COPIES TO

SUBJECT Telephone Interview with Steve Dietrich

I received a telephone call at approximately 3:30 p.m. today (Monday, November 19, 1990) from Steve Dietrich. He told Joel that he wanted to supplement the information he provided when interviewed by Dorothy Kirkley, you and me on November 14, 1990. The supplemented information provided by Dietrich is as follows:

Dietrich stated that at the Owners Committee meeting in January, 1990, the Owners' representatives were quite disturbed that a privileged and confidential attorney-client document had been shown during the broadcast of The Scottish Eye. At that meeting, Paul Bilgore said words to the general effect that Alyeska should probably investigate the source of these leaks. Dietrich does not remember any Owners' representatives commenting on Bilgore's statement, one way or the other.



555 South Flower Street, Los Angeles, CA 90071 695 Town Center Drive, Costa Mesa, CA 92626
1299 Ocean Avenue, Santa Monica, CA 90401 133 Peachtree Street, N.E., Atlanta, GA 30303
1050 Connecticut Avenue, N.W., Washington, D.C. 20036 One Canterbury Green, Stamford, CT 06901
9 West 57th Street, New York, N.Y. 10019 4-3, Toranomon 1-chome, Minato-ku, Tokyo 105

PAUL, HASTINGS, JANOFSKY & WALKER

A PROFESSIONAL INCLUDING PROFESSIONAL CORPORATIONS

PRIVILEGED AND CONFIDENTIAL
ATTORNEY-CLIENT COMMUNICATION
ATTORNEY WORK PRODUCT PREPARED
IN ANTICIPATION OF LITIGATION

**MEMORANDUM**

TO Leonard S. Janofsky - WLA

DATE November 19, 199

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SUBJECT Telephone Interview with Steve Dietrich

I received a telephone call at approximately 3:30 p.m. today (Monday, November 19, 1990) from Steve Dietrich. He told Joel that he wanted to supplement the information he provided when interviewed by Dorothy Kirkley, you and me on November 14, 1990. The supplemented information provided by Dietrich is as follows:

Dietrich stated that at the Owners Committee meeting in January, 1990, the Owners' representatives were quite disturbed that a privileged and confidential attorney-client document had been shown during the broadcast of The Scottish Eye. At that meeting, Paul Bilgore said words to the general effect that Alyeska should probably investigate the source of these leaks. Dietrich does not remember any Owners' representatives commenting on Bilgore's statement, one way or the other.

(50) PC#135/TAPS/DIET-2.MEM

**REPORT OF INVESTIGATION**
**SPECIAL INVESTIGATIONS DIVISION**

**TO:** PAT WELLINGTON

**FROM:** RICK LUND

**DATE:** APRIL 25, 1990

**RE:** TELEPHONE CALLS ANALYSIS REPORTS

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Enclosed are three printouts from our data base established for the purpose of analyzing Hamel's out going telephone calls. The top report is titled Date and Time Chronology. This report provides date, time and duration of call and the name of the called party. An analysis of the chronology shows an interesting correlation and interaction of parties who Hamel is calling. At some point in the future it may prove useful for other individuals to review this chronology for comparison with other events not related to this investigation.

This printout represents telephone calls made from Hamel's Virginia residence and from the period of January through mid-February. We are currently analyzing Hamel's calls from mid-February through mid-March. An update printout will be sent upon completion of this information.

The second printout is titled Names of Parties called by Hamel. This report shows two things:

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1. It identifies by name the parties who Hamel is contacting.

2. It shows the number of times in a one month period that Hamel calls these individuals.

By analyzing this printout in conjunction with the chronology we have been successful in identifying a number of parties who Hamel remains in close contact with.

The third printout has no title on it. It is provided for your convenience with a request that you contact SCATA and ask them to process the highlighted telephone numbers through their CDR going back to the first of the year. Have them provide you and subsequently us with the printouts of all calls from Alyeska telephones to any of the numbers highlighted in yellow. At the end of this printout there are three numbers handwritten. These numbers are particularly important. Other numbers in order of priority would be where there have been several calls made to the same number. The highlighted numbers represent the first number of any group called. Thus it will be more important for us to review more frequently called numbers in the event that you are asked to scale down the request. If it is not a problem, however, I would like to have a printout that shows any of these numbers that have

been called which they can inquire into their data base going back to the first of the year.

Please don't hesitate to contact me if there are any questions concerning the request or any ideas you have to continue along this line.

WBB:jl
427.i

Encls.

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WACKENHUT

# ROUTING SLIP

TO: _____

DIV/AREA: _____

FROM: _____ DATE: _____

ALREADY
INPUT ON
CALENDAR

W-48 74141 (10/75)

ALYESKA PIPELINE ANCHORAGE 05-11-1990 07:43

AREA CODE, EXCHANGE & NUMBER 907 272 6474

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 3221 | 212 | 1156 | 907 | 272 | 6474 | 4 | 0.00 | 1 | 10 |
| 3221 | 213 | 856 | 907 | 272 | 6474 | 6 | 0.00 | 1 | 4 |
| 3221 | 214 | 1537 | 907 | 272 | 6474 | 8 | 0.00 | 1 | 13 |
| 3221 | 226 | 1555 | 907 | 272 | 6474 | 3 | 0.00 | 1 | 21 |
| 3585 | 202 | 1722 | 907 | 272 | 6474 | 15 | 0.00 | 1 | 2 |
| 3585 | 205 | 1048 | 907 | 272 | 6474 | 7 | 0.00 | 1 | 16 |
| 3585 | 209 | 1145 | 907 | 272 | 6474 | 4 | 0.00 | 1 | 15 |
| 3585 | 216 | 1450 | 907 | 272 | 6474 | 12 | 0.00 | 1 | 18 |
| 3585 | 222 | 1016 | 907 | 272 | 6474 | 3 | 0.00 | 1 | 12 |
| 3585 | 226 | 1539 | 907 | 272 | 6474 | 8 | 0.00 | 1 | 13 |
| 3585 | 227 | 1453 | 907 | 272 | 6474 | 3 | 0.00 | 1 | 6 |
| 3585 | 228 | 1424 | 907 | 272 | 6474 | 6 | 0.00 | 1 | 14 |
| 8572 | 201 | 1507 | 907 | 272 | 6474 | 4 | 0.00 | 1 | 8 |
| 8587 | 209 | 1056 | 907 | 272 | 6474 | 3 | 0.00 | 1 | 9 |
| TOTALS | FOR | 14 CALLS | | | | 86 | 0.00 | | |

3221 - Alfred T. Smith — EJ

3585 - Lawrence R. Trotter — EJ

8572 - James D. Hill (AGAI) — EJ

8587 - FILE ROOM LEGAL — EJ

[redacted]

RICK L OWEN

[redacted]

F2R412220

ALYESKA PIPELINE ANCHORAGE 05-09-1990 09
AREA CODE, EXCHANGE & NUMBER 907 272 6474

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 3221 | 309 | 1111 | 907 | 272 | 6474 | 4 | 0.00 | 1 | 17 |
| 3585 | 301 | 1543 | 907 | 272 | 6474 | 4 | 0.00 | 1 | 6 |
| 3585 | 308 | 1017 | 907 | 272 | 6474 | 8 | 0.00 | 1 | 7 |
| 3585 | 309 | 926 | 907 | 272 | 6474 | 7 | 0.00 | 1 | 3 |
| 3585 | 320 | 944 | 907 | 272 | 6474 | 8 | 0.00 | 1 | 14 |
| 3585 | 328 | 921 | 907 | 272 | 6474 | 3 | 0.00 | 1 | 7 |
| 8114 | 330 | 910 | 907 | 272 | 6474 | 25 | 0.00 | 1 | 7 |
| 8114 | 330 | 1354 | 907 | 272 | 6474 | 3 | 0.00 | 1 | 10 |
| 8114 | 330 | 1638 | 907 | 272 | 6474 | 69 | 0.00 | 1 | 7 |
| 8297 | 306 | 1723 | 907 | 272 | 6474 | 9 | 0.00 | 1 | 12 |
| 8297 | 307 | 749 | 907 | 272 | 6474 | 4 | 0.00 | 1 | 4 |
| 8297 | 308 | 1737 | 907 | 272 | 6474 | 3 | 0.00 | 1 | 3 |
| 8297 | 315 | 1935 | 907 | 272 | 6474 | 4 | 0.00 | 1 | 10 |
| 8297 | 323 | 1701 | 907 | 272 | 6474 | 7 | 0.00 | 1 | 9 |
| 8297 | 326 | 1710 | 907 | 272 | 6474 | 2 | 0.00 | 1 | 4 |
| 8297 | 330 | 1823 | 907 | 272 | 6474 | 8 | 0.00 | 1 | 5 |
| 8585 | 306 | 752 | 907 | 272 | 6474 | 3 | 0.00 | 1 | 5 |
| TOTALS | FOR | 17 CALLS | | | | 171 | 0.00 | | |

3221 ~~JACQUELINE A. BLOOM~~ 452 [illegible]
3585 ALFRED T. SMITH A1
3585 LAWRENCE R. TROTTER L1
8114 DENNIS E. PRENDEVILLE DP
8297 GREGORY C. COOKE GC
8585 LAWRENCE R. TROTTER

RICK L. OWEN

F2R41222

ALYESKA PIPELINE ANCHORAGE 05-07-1990 13:57

AREA CODE. EXCHANGE & NUMBER 907 272 6474

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 3221 - | 413 | 1527 | 907 | 272 | 6474 | 6 | 0.00 | 1 | 4 |
| 3221 - | 418 | 1033 | 907 | 272 | 6474 | 12 | 0.00 | 1 | 5 |
| 3221 - | 418 | 1100 | 907 | 272 | 6474 | 2 | 0.00 | 1 | 6 |
| 3221 - | 419 | 1125 | 907 | 272 | 6474 | 5 | 0.00 | 1 | 8 |
| 3281 - | 403 | 1357 | 907 | 272 | 6474 | 3 | 0.00 | 1 | 15 |
| 3375 - | 419 | 1001 | 907 | 272 | 6474 | 7 | 0.00 | 1 | 9 |
| 3585 - | 424 | 748 | 907 | 272 | 6474 | 14 | 0.00 | 1 | 7 |
| 3585 - | 426 | 900 | 907 | 272 | 6474 | 4 | 0.00 | 1 | 23 |
| 3585 - | 427 | 1335 | 907 | 272 | 6474 | 23 | 0.00 | 1 | 11 |
| [redacted] | | | | | | | | | |
| [redacted] | | | | | | | | | |
| 8297 - | 404 | 937 | 907 | 272 | 6474 | 3 | 0.00 | 1 | 24 |
| 8297 - | 406 | 1800 | 907 | 272 | 6474 | 3 | 0.00 | 1 | 2 |
| 8297 - | 411 | 1808 | 907 | 272 | 6474 | 15 | 0.00 | 1 | 6 |
| 8297 - | 418 | 1818 | 907 | 272 | 6474 | 3 | 0.00 | 1 | 3 |
| 8297 - | 427 | 1851 | 907 | 272 | 6474 | 3 | 0.00 | 1 | 8 |
| 8363 - | 419 | 1433 | 907 | 272 | 6474 | 10 | 0.00 | 1 | 11 |
| 8427 - | 419 | 1040 | 907 | 272 | 6474 | 8 | 0.00 | 1 | 13 |
| [redacted] | | | | | | | | | |

TOTALS FOR 19 CALLS 156 0.00

3221 ~~[redacted]~~ ALFRED T. SMITH

3281 LAWRENCE E. VOLCERT

3375 JUDITH L. ANDRESS

3585 LAWRENCE R. TROTTER

8114 DENNIS E. PROVENCILLE

8297 GREGORY C. COOKE

8363 ROGER B. IVERSEN

8427 GERALD B SELBY / JEFFREY L. STREIT

8566 LOIS M. SIMPSON

[redacted] RICK L. OWEN

[redacted]

F2R412222

ALYESKA PIPELINE ANCHORAGE 05-11-1990 07:54

AREA CODE, EXCHANGE & NUMBER 907 276 6000

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 3221 | 201 | 901 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 19 |
| 8142 | 205 | 1253 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 8 |
| 8275 | 206 | 1104 | 907 | 276 | 6000 | 7 | 0.00 | 1 | 16 |
| 8275 | 206 | 1346 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 13 |
| 8312 | 205 | 846 | 907 | 276 | 6000 | 10 | 0.00 | 1 | 19 |
| 8312 | 206 | 844 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 14 |
| 8451 | 207 | 1302 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 16 |
| 8451 | 228 | 1402 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 16 |
| 8461 | 208 | 1105 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 5 |
| 8505 | 208 | 1000 | 907 | 276 | 6000 | 5 | 0.00 | 1 | 14 |
| 8572 | 228 | 807 | 907 | 276 | 6000 | 4 | 0.00 | 1 | 6 |
| 8628 | 207 | 1611 | 907 | 276 | 6000 | 4 | 0.00 | 1 | 8 |
| 8754 | 206 | 1033 | 907 | 276 | 6000 | 9 | 0.00 | 1 | 16 |
| 8754 | 206 | 1330 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 21 |
| 8765 | 222 | 1110 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 16 |
| 8804 | 207 | 1608 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 5 |
| 8871 | 201 | 1301 | 907 | 276 | 6000 | 4 | 0.00 | 1 | 11 |
| 8879 | 202 | 652 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 2 |
| 8879 | 208 | 745 | 907 | 276 | 6000 | 7 | 0.00 | 1 | 7 |
| 8891 | 227 | 918 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 16 |
| 8919 | 205 | 1346 | 907 | 276 | 6000 | 10 | 0.00 | 1 | 10 |
| 8919 | 205 | 1541 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 16 |
| 8919 | 208 | 933 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 5 |
| 8931 | 208 | 1234 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 13 |
| 8993 | 205 | 1455 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 6 |
| TOTALS | FOR | 25 CALLS | | | | 108 | 0.00 | | |

[redacted] HOTEL CAPT'N COOK [redacted]

C23

F2R412223

ALYESKA PIPELINE VALDEZ 05-16-1990 16:00
AREA CODE, EXCHANGE & NUMBER 907 276 6000

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6222 | 227 | 917 | 907 | 276 | 6000 | 4 | 1.20 | 2 | 16 |
| 6473 | 307 | 947 | 907 | 276 | 6000 | 3 | 0.90 | 2 | 4 |
| 6473 | 329 | 1031 | 907 | 276 | 6000 | 3 | 0.90 | 3 | 5 |
| 6531 | 329 | 1634 | 907 | 276 | 6000 | 4 | 1.20 | 2 | 7 |
| 6533 | 311 | 1546 | 907 | 276 | 6000 | 3 | 0.90 | 2 | 6 |

TOTALS FOR 5 CALLS 17 5.10

6222
6473 - Gail J. Brown
6531 Rex K. Brown
6533 Kendall Daugherty
Ruth Marie McElrath

HOTEL CAPT'N COOK

F2R412224

ALYESKA PIPELINE ANCHORAGE 05-09-1990 0

AREA CODE, EXCHANGE & NUMBER 907 276 6000

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 925 | 321 | 1026 | 907 | 276 | 6000 | 5 | 0.00 | 1 | 10 |
| 928 | 321 | 1043 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 19 |
| 929 | 321 | 1049 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 19 |
| 992 | 330 | 1640 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 2 |
| 3585 | 306 | 828 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 8 |
| 8076 | 308 | 945 | 907 | 276 | 6000 | 4 | 0.00 | 1 | 5 |
| 8207 | 314 | 956 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 21 |
| 8207 | 315 | 1603 | 907 | 276 | 6000 | 4 | 0.00 | 1 | 3 |
| 8207 | 321 | 1509 | 907 | 276 | 6000 | 4 | 0.00 | 1 | 4 |
| 8297 | 330 | 1414 | 907 | 276 | 6000 | 6 | 0.00 | 1 | 16 |
| 8312 | 321 | 1525 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 25 |
| 8314 | 329 | 1403 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 8 |
| 8372 | 312 | 1242 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 4 |
| 8451 | 302 | 1529 | 907 | 276 | 6000 | 7 | 0.00 | 1 | 23 |
| 8505 | 308 | 831 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 15 |
| 8505 | 320 | 1634 | 907 | 276 | 6000 | 5 | 0.00 | 1 | 9 |
| 8505 | 329 | 1521 | 907 | 276 | 6000 | 4 | 0.00 | 1 | 13 |
| 8565 | 321 | 1359 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 9 |
| 8643 | 305 | 1716 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 6 |
| 8643 | 305 | 1803 | 907 | 276 | 6000 | 11 | 0.00 | 1 | 4 |
| 8728 | 308 | 725 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 8 |
| 8754 | 322 | 1355 | 907 | 276 | 6000 | 6 | 0.00 | 1 | 3 |
| 8841 | 309 | 937 | 907 | 276 | 6000 | 4 | 0.00 | 1 | 16 |
| 8968 | 308 | 1548 | 907 | 276 | 6000 | 6 | 0.00 | 1 | 14 |
| TOTALS FOR 24 CALLS | | | | | | 102 | 0.00 | | |

HOTEL CAPT'N COOK

F2R41222

ALYESKA PIPELINE VALDEZ 05-15-1990 14:33

AREA CODE, EXCHANGE & NUMBER 907 276 6000

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 925 | 321 | 1028 | 907 | 276 | 6000 | 5 | 1.50 | 2 | 8 |
| 928 | 321 | 1044 | 907 | 276 | 6000 | 3 | 0.90 | 2 | 5 |
| 929 | 321 | 1051 | 907 | 276 | 6000 | 3 | 0.90 | 2 | 3 |
| 992 | 330 | 1639 | 907 | 276 | 6000 | 3 | 0.90 | 2 | 11 |
| 6091 | 301 | 1322 | 907 | 276 | 6000 | 5 | 1.50 | 2 | 14 |
| 6091 | 310 | 1431 | 907 | 276 | 6000 | 8 | 1.25 | 1 | 12 |
| 6091 | 311 | 1533 | 907 | 276 | 6000 | 7 | 1.09 | 2 | 3 |
| 6236 | 329 | 922 | 907 | 276 | 6000 | 5 | 1.50 | 2 | 3 |
| 6283 | 307 | 908 | 907 | 276 | 6000 | 3 | 0.90 | 2 | 7 |
| 6473 | 307 | 947 | 907 | 276 | 6000 | 3 | 0.90 | 2 | 4 |
| 6473 | 329 | 1031 | 907 | 276 | 6000 | 3 | 0.90 | 3 | 5 |
| 6531 | 329 | 1634 | 907 | 276 | 6000 | 4 | 1.20 | 2 | 7 |
| 6533 | 314 | 1546 | 907 | 276 | 6000 | 3 | 0.90 | 2 | 6 |
| TOTALS | FOR | 13 CALLS | | | | 55 | 14.34 | | |

[redacted]

HOTEL CAPT'N COCK

[redacted]

F2R412226

ALYESKA PIPELINE ANCHORAGE 05-07-1990 14:08

AREA CODE, EXCHANGE & NUMBER 907 276 6000

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 991 | 425 | 709 | 907 | 276 | 6000 | 5 | 0.00 | 1 | 8 |
| 8044 | 418 | 1207 | 907 | 276 | 6000 | 4 | 0.00 | 1 | 3 |
| 8143 | 426 | 1429 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 19 |
| 8143 | 426 | 1717 | 907 | 276 | 6000 | 7 | 0.00 | 1 | 5 |
| 8204 | 410 | 1056 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 20 |
| 8204 | 411 | 1253 | 907 | 276 | 6000 | 6 | 0.00 | 1 | 11 |
| 8236 | 427 | 1642 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 6 |
| 8297 | 424 | 1819 | 907 | 276 | 6000 | 5 | 0.00 | 1 | 6 |
| 8297 | 427 | 1705 | 907 | 276 | 6000 | 10 | 0.00 | 1 | 3 |
| 8299 | 410 | 1329 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 17 |
| 8314 | 426 | 1522 | 907 | 276 | 6000 | 5 | 0.00 | 1 | 12 |
| 8314 | 427 | 1651 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 3 |
| 8372 | 404 | 938 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 9 |
| 8449 | 406 | 1531 | 907 | 276 | 6000 | 5 | 0.00 | 1 | 8 |
| 8449 | 416 | 1107 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 14 |
| 8449 | 426 | 1028 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 3 |
| 8505 | 412 | 824 | 907 | 276 | 6000 | 4 | 0.00 | 1 | 6 |
| 8505 | 412 | 1009 | 907 | 276 | 6000 | 4 | 0.00 | 1 | 9 |
| 8505 | 418 | 1411 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 16 |
| 8524 | 426 | 1504 | 907 | 276 | 6000 | 6 | 0.00 | 1 | 4 |
| 8641 | 425 | 836 | 907 | 276 | 6000 | 5 | 0.00 | 1 | 8 |
| 8643 | 402 | 1007 | 907 | 276 | 6000 | 4 | 0.00 | 1 | 16 |
| 8740 | 418 | 1520 | 907 | 276 | 6000 | 4 | 0.00 | 1 | 7 |
| 8834 | 420 | 1213 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 3 |
| 8884 | 418 | 1042 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 6 |
| 8884 | 418 | 1423 | 907 | 276 | 6000 | 3 | 0.00 | 1 | 3 |
| 8891 | 404 | 958 | 907 | 276 | 6000 | 4 | 0.00 | 1 | 9 |
| 8891 | 404 | 1554 | 907 | 276 | 6000 | 4 | 0.00 | 1 | 1 |
| TOTALS | FOR | 28 CALLS | | | | 118 | 0.00 | | |

HOTEL CAPT'N COOK

F2R412227

ALYESKA PIPELINE VALDEZ 05-14-1990 14:49

AREA CODE, EXCHANGE & NUMBER 907 276 6000

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 991 | 425 | 709 | 907 | 276 | 6000 | 5 | 1.50 | 2 | 6 |
| 6334 | 427 | 1922 | 907 | 276 | 6000 | 3 | 0.47 | 1 | 24 |
| 6405 | 429 | 1532 | 907 | 276 | 6000 | 2 | 0.47 | 1 | 16 |
| TOTALS | | FOR | 3 CALLS | | | 10 | 2.44 | | |

991
6334
6405 Peter B. Aarsh
Rodney W. Mitchell

[redacted]
HOTEL CAPT'N COOK
[redacted]

F2R412228

ALYESKA PIPELINE ANCHORAGE 05-10-1990 08:27

AREA CODE, EXCHANGE & NUMBER 907 907 586 2660

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 3556 † | 411 | 1611 | 907 | 586 | 2660 | 3 | 1.81 | 1 | 7 |
| 3565 † | 404 | 1423 | 907 | 586 | 2660 | 6 | 3.61 | 1 | 6 |
| 3565 † | 409 | 15[illegible] | 907 | 586 | 2660 | 45 | 27.01 | 1 | 15 |
| 3565 † | 410 | 1501 | 907 | 586 | 2660 | 4 | 2.41 | 1 | 6 |
| 3565 † | 427 | 918 | 907 | 586 | 2660 | 2 | 1.81 | 1 | 2 |
| 3565 † | 427 | 944 | 907 | 586 | 2660 | 14 | 8.41 | 1 | 13 |
| 8243 † | 410 | 1346 | 907 | 586 | 2660 | 3 | 1.81 | 1 | 19 |
| 8243 † | 417 | 1521 | 907 | 586 | 2660 | 4 | 2.41 | 1 | 4 |
| 8505 † | 411 | 1131 | 907 | 586 | 2660 | 3 | 1.81 | 1 | 15 |
| 8505 † | 411 | 1512 | 907 | 586 | 2660 | 4 | 2.41 | 1 | 16 |
| 8505 † | 416 | 1303 | 907 | 586 | 2660 | 3 | 1.81 | 1 | 8 |
| 8505 † | 417 | 1030 | 907 | 586 | 2660 | 3 | 1.81 | 1 | 15 |
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| 8879 † | 426 | 703 | 907 | 586 | 2660 | 3 | 1.81 | 1 | 3 |
| TOTALS | FOR | 15 CALLS | | | | 108 | 65.55 | | |

3556 - JAMES B. HERMILLER
3565 - ROBERT I. SHAW
8243 - JACQUELYN B. MOSGROVE
8505 EMORY D. AYERS / KIMBERLY C. PETERSON
8566 - LOIS M. SIMPSON
8879 - MARK I HUTTON

[redacted]

BARONOFF HOTEL

[redacted]

F2R412229

ALYESKA PIPELINE ANCHORAGE 05-11-1990 14:07

AREA CODE, EXCHANGE & NUMBER 907 586 2660

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 8314 | 116 | 1704 | 907 | 586 | 2660 | 3 | 1.41 | 1 | 2 |
| 8565 | 112 | 1704 | 907 | 586 | 2660 | 12 | 5.62 | 1 | 11 |
| 8565 | 115 | 1018 | 907 | 586 | 2660 | 3 | 1.81 | 1 | 13 |
| 8566 | 115 | 1515 | 907 | 586 | 2660 | 3 | 1.81 | 1 | 3 |
| TOTALS | | FOR | 4 CALLS | | | 21 | 10.65 | | |

8314 MARY ANN WOLSON
8565 ROBERT I. SWAF
8566 LOIS M. SIMPSON

BARONOFF HOTEL

35

F2R412230

ALYESKA PIPELINE VALDEZ 05-16-1990 14:19
AREA CODE, EXCHANGE & NUMBER 907 586 2660

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT MEM |
|---|---|---|---|---|---|---|---|---|
| 6283 | 205 | 1532 | 907 | 586 | 2660 | 3 | 1.76 | 2 12 |
| TOTALS | FOR | 1 CALLS | | | | 3 | 1.76 | |

6283 Dialed pers ( Frances A. Kent + 4 others )

[redacted]
BARONOFF HOTEL
[redacted]

F2R412231

ALYESKA PIPELINE ANCHORAGE 05-10-1990 14:44
AREA CODE, EXCHANGE & NUMBER 907 586 2660

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 3565 | 213 | 947 | 907 | 586 | 2660 | 24 | 14.41 | 1 | 19 |
| 8565 | 221 | 948 | 907 | 586 | 2660 | 3 | 1.81 | 1 | 7 |
| 8740 | 226 | 1532 | 907 | 586 | 2660 | 3 | 1.81 | 1 | 13 |
| TOTALS | FOR | 3 CALLS | | | | 30 | 18.03 | | |

3565 Robert I Shel
8565 Same
8740 Suzanne K. Shotts

BARONOFF HOTEL

F2R412232

ALYESKA PIPELINE ANCHORAGE 05-08-1990 11:32

AREA CODE, EXCHANGE & NUMBER 907 586 2660

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 3556 | 323 | 733 | 907 | 586 | 2660 | 6 | 3.61 | 1 | 2 |
| 3565 | 307 | 1754 | 907 | 586 | 2660 | 3 | 1.41 | 1 | 6 |
| 3565 | 308 | 740 | 907 | 586 | 2660 | 18 | 10.81 | 1 | 6 |
| 3565 | 308 | 1101 | 907 | 586 | 2660 | 8 | 4.81 | 1 | 12 |
| 3565 | 316 | 846 | 907 | 586 | 2660 | 3 | 1.81 | 1 | 7 |
| 3565 | 319 | 1532 | 907 | 586 | 2660 | 6 | 3.61 | 1 | 9 |
| 3565 | 323 | 839 | 907 | 586 | 2660 | 20 | 12.01 | 1 | 20 |
| 3565 | 330 | 1233 | 907 | 586 | 2660 | 21 | 12.61 | 1 | 4 |
| 3585 | 306 | 812 | 907 | 586 | 2660 | 17 | 10.21 | 1 | 13 |
| 8207 | 301 | 1305 | 907 | 586 | 2660 | 3 | 1.81 | 1 | 10 |
| 8372 | 326 | 1452 | 907 | 586 | 2660 | 3 | 1.81 | 1 | 10 |
| 8372 | 326 | 1650 | 907 | 586 | 2660 | 11 | 6.61 | 1 | 10 |
| 8505 | 315 | 1131 | 907 | 586 | 2660 | 5 | 3.01 | 1 | 13 |
| 8505 | 320 | 1621 | 907 | 586 | 2660 | 11 | 6.61 | 1 | 11 |
| 8505 | 329 | 1343 | 907 | 586 | 2660 | 4 | 2.41 | 1 | 5 |
| 8933 | 326 | 1714 | 907 | 586 | 2660 | 8 | 3.75 | 1 | 9 |
| 8979 | 301 | 1619 | 907 | 586 | 2660 | 3 | 1.81 | 1 | 8 |
| TOTALS | FOR | 17 CALLS | | | | 150 | 88.71 | | |

3556 JAMES B. HERMILLER
3565 ROBERT I. SHOAF
3585 LAWRENCE R. TROSTER
8207 CONNIE L. SPURGEON
8372 GAYE V. HUNT
8505 EMORY D. AYERS
8933 THEO POLASEK
8979 THOMAS M. CASEY

[redacted] BARONOFF HOTEL [redacted]

F2R412239

ALYESKA PIPELINE VALDEZ 05-14-1990 13:16

AREA CODE, EXCHANGE & NUMBER 907 586 2660

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6279 | 1:8 | 731 | 907 | 586 | 2660 | 4 | 2.32 | 2 | 10 |

TOTALS FOR 1 CALLS 4 2.32

6279 EDWARD J, KING (SECURITY)

BARONOFF HOTEL

F2R412234

ALYESKA PIPELINE ANCHORAGE 05-10-1990 15:34
AREA CODE, EXCHANGE & NUMBER 907 835 4731

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 8879 | 221 | 1459 | 907 | 835 | 4731 | 6 | 0.00 | 7 | 5 |
| TOTALS | FOR | 1 CALLS | | | | 6 | 0.00 | | |

8879 Mark I Hutton

STAN STEPHENS CHARTER

F2R412235

ALYESKA PIPELINE VALDEZ 05-14-1990 13:59
AREA CODE, EXCHANGE & NUMBER 907 835 4731

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6011 | 416 | 1142 | 907 | 835 | 4731 | 3 | 0.00 | 1 | 21 |

TOTALS FOR 1 CALLS 3 0.00

6011 - HUSTON CONTRACTING

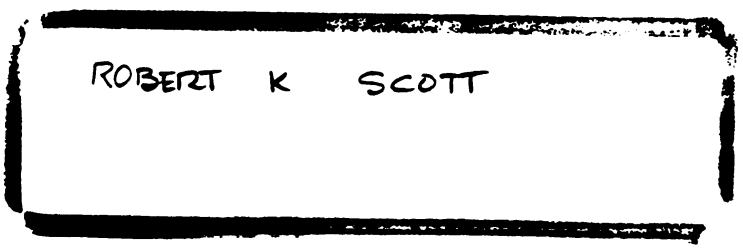
STAN STEPHENS CHARTERS

F2R412236

ALYESKA PIPELINE ANCHORAGE 05-11-1990 14:16
AREA CODE, EXCHANGE & NUMBER 907 835 2322

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 3221 | 105 | 1300 | 907 | 835 | 2322 | 4 | 0.00 | 3 | 10 |
| 8468 | 105 | 1039 | 907 | 835 | 2322 | 6 | 0.00 | 3 | 1 |
| 8468 | 105 | 1549 | 907 | 835 | 2322 | 11 | 0.00 | 3 | 7 |
| TOTALS | | FOR | 3 CALLS | | | 21 | 0.00 | | |

3221 ~~[illegible]~~ ALFRED T. SMITH
8468 KATHLEEN M. CARR




F2R412237

ALYESKA PIPELINE VALDEZ 05-14-1990 13:29
AREA CODE, EXCHANGE & NUMBER 907 835 2322

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6346 | 419 | 1326 | 907 | 835 | 2322 | 4 | 0.00 | 1 | 22 |
| 6346 | 420 | 954 | 907 | 835 | 2322 | 3 | 0.00 | 1 | 7 |
| TOTALS | FOR | 2 CALLS | | | | 7 | 0.00 | | |

6346 DAN D. BINGHAM
RAYMOND L. HOLMES
WAYNE A. JONES
PAUL P. KAUTZMAN
THOMAS L. LAVY
STEPHEN R. MASTERS
ROBERT W. MILLER
WILLARD A. OPTEDAL JR.
STEPHEN B. PERRY
JAMES K. SCOTT
ROBERT K. SCOTT
MARK L. STEPHENS
LLOYD W. STREET
MICHAEL G. THIEL

ROBERT K. SCOTT

F2R412238

ALYESKA PIPELINE ANCHORAGE 05-10-1990 16:00

AREA CODE, EXCHANGE & NUMBER 907 272 4517

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 8586 | 201 | 739 | 907 | 272 | 4517 | 8 | 0.00 | 1 | 5 |

TOTALS FOR 1 CALLS 8 0.00

8586

FAX — LEGAL FAX MACHINE
TO FAX @ GROWH, EGGERS. +
PRICE

C24

F2R412239

ALYESKA PIPELINE ANCHORAGE 05-10-1990 08:32

AREA CODE, EXCHANGE & NUMBER 808 949 4321

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 8659 | 305 | 814 | 808 | 949 | 4321 | 12 | 3.00 | 2 | 5 |

TOTALS FOR 1 CALLS 12 3.00

HILTON HAWAIIAN VILLAGE

F2R412240

ALYESKA PIPELINE ANCHORAGE 05-10-1990 15:29
AREA CODE, EXCHANGE & NUMBER 907 835 4698

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 3545 | 213 | 1435 | 907 | 835 | 4698 | 5 | 0.00 | 7 | 2 |
| 3545 | 213 | 1452 | 907 | 835 | 4698 | 4 | 0.00 | 7 | 2 |
| 8572 | 215 | 947 | 907 | 835 | 4698 | 2 | 0.00 | 3 | 7 |
| 8740 | 207 | 1006 | 907 | 835 | 4698 | 3 | 0.00 | 3 | 6 |
| TOTALS | FOR | 4 CALLS | | | | 14 | 0.00 | | |

3545
8572 James D. Hill (AGAI)
8740 Suzanne K. Shultz

DEPT. ENERGY CONSERVATION

F2R412241

ALYESKA PIPELINE VALDEZ 05-16-1990 14:39

AREA CODE, EXCHANGE & NUMBER 907 835 3628

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6477 | 3:4 | 1352 | 907 | 835 | 3628 | 3 | 0.00 | 1 | 7 |

TOTALS FOR 1 CALLS 3 0.00

6477 Raymond E. Everett Jr.

[redacted]

DEPT ENERGY CONSERVATION

[redacted]

FZR412242

ALYESKA PIPELINE VALDEZ 05-15-1990 13:16

AREA CODE, EXCHANGE & NUMBER 907 835 3628

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6477 | 314 | 1352 | 907 | 835 | 3628 | 3 | 0.00 | 1 | 7 |

TOTALS FOR 1 CALLS 3 0.00

6477 Raymond E. Everett Jr.

DEPT ENERGY CONSERVATION

F2R412243

ALYESKA PIPELINE VALDEZ 05-15-1990 13:39

AREA CODE, EXCHANGE & NUMBER 907 835 4698

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6308 | 314 | 1011 | 907 | 835 | 4698 | 3 | 0.00 | 1 | 12 |
| 6412 | 319 | 1253 | 907 | 835 | 4698 | 5 | 0.00 | 1 | 11 |
| 6412 | 326 | 1433 | 907 | 835 | 4698 | 4 | 0.00 | 1 | 11 |
| 6422 | 311 | 1636 | 907 | 835 | 4698 | 5 | 0.00 | 1 | 21 |
| 6422 | 315 | 919 | 907 | 835 | 4698 | 8 | 0.00 | 1 | 18 |
| 6422 | 321 | 1650 | 907 | 835 | 4698 | 5 | 0.00 | 1 | 22 |
| 6432 | 313 | 1153 | 907 | 835 | 4698 | 3 | 0.00 | 1 | 7 |
| 6441 | 322 | 1356 | 907 | 835 | 4698 | 3 | 0.00 | 1 | |
| 6442 | 313 | 1124 | 907 | 835 | 4698 | 3 | 0.00 | 1 | |
| 6477 | 313 | 1611 | 907 | 835 | 4698 | 5 | 0.00 | 1 | |
| 6477 | 314 | 857 | 907 | 835 | 4698 | 3 | 0.00 | 1 | 22 |
| 6481 | 327 | 1654 | 907 | 835 | 4698 | 4 | 0.00 | 1 | 24 |
| 6482 | 311 | 934 | 907 | 835 | 4698 | 4 | 0.00 | 1 | 21 |
| 6531 | 301 | 1615 | 907 | 835 | 4698 | 10 | 0.00 | 1 | |
| 6531 | 322 | 1618 | 907 | 835 | 4698 | 4 | 0.00 | 1 | |
| 6591 | 301 | 1512 | 907 | 835 | 4698 | 5 | 0.00 | 1 | |
| 6591 | 327 | 1637 | 907 | 835 | 4698 | 3 | 0.00 | 1 | |
| 6591 | 327 | 1637 | 907 | 835 | 4698 | 3 | 0.00 | 1 | |
| TOTALS | | FOR | 18 CALLS | | | 80 | 0.00 | | |

[redacted]

DEPT. ENERGY CONSERVATION

[redacted]

[redacted]

F2R412244

ALYESKA PIPELINE VALDEZ 05-16-1990 15:06

AREA CODE, EXCHANGE & NUMBER 907 835 4698

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6308 | 314 | 1011 | 907 | 835 | 4698 | 3 | 0.00 | 1 | 12 |
| 6412 | 319 | 1253 | 907 | 835 | 4698 | 5 | 0.00 | 1 | 11 |
| 6412 | 326 | 1433 | 907 | 835 | 4698 | 4 | 0.00 | 1 | 11 |
| 6422 | 311 | 1636 | 907 | 835 | 4698 | 5 | 0.00 | 1 | 21 |
| 6422 | 315 | 919 | 907 | 835 | 4698 | 8 | 0.00 | 1 | 18 |
| 6422 | 321 | 1650 | 907 | 835 | 4698 | 5 | 0.00 | 1 | 22 |
| 6432 | 313 | 1153 | 907 | 835 | 4698 | 3 | 0.00 | 1 | 7 |
| 6441 | 322 | 1356 | 907 | 835 | 4698 | 3 | 0.00 | 1 | 7 |
| 6442 | 313 | 1124 | 907 | 835 | 4698 | 3 | 0.00 | 1 | 7 |
| 6477 | 313 | 1611 | 907 | 835 | 4698 | 5 | 0.00 | 1 | 22 |
| 6477 | 314 | 857 | 907 | 835 | 4698 | 3 | 0.00 | 1 | 22 |
| 6481 | 327 | 1654 | 907 | 835 | 4698 | 4 | 0.00 | 1 | 24 |
| 6482 | 311 | 934 | 907 | 835 | 4698 | 4 | 0.00 | 1 | 21 |
| 6531 | 301 | 1615 | 907 | 835 | 4698 | 10 | 0.00 | 1 | 21 |
| 6531 | 322 | 1618 | 907 | 835 | 4698 | 4 | 0.00 | 1 | 7 |
| 6591 | 301 | 1512 | 907 | 835 | 4698 | 5 | 0.00 | 1 | 24 |
| 6591 | 327 | 1637 | 907 | 835 | 4698 | 3 | 0.00 | 1 | 21 |
| 6591 | 327 | 1637 | 907 | 835 | 4698 | 3 | 0.00 | 1 | 7 |
| TOTALS FOR 18 CALLS | | | | | | 80 | 0.00 | | |

DEPT. ENERGY CONSERVATION

D19

F2R412245

ALYESKA PIPELINE ANCHORAGE 05-09-1990 08:57

AREA CODE. EXCHANGE & NUMBER 907 835 4698

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 8225 | 321 | 1156 | 907 | 835 | 4698 | 14 | 0.00 | 7 | 2 |
| 8411 | 307 | 828 | 907 | 835 | 4698 | 6 | 0.00 | 3 | 17 |
| 8875 | 319 | 1544 | 907 | 835 | 4698 | 6 | 0.00 | 3 | 18 |
| 8979 | 307 | 917 | 907 | 835 | 4698 | 5 | 0.00 | 3 | 5 |

TOTALS FOR 4 CALLS 31 0.00

8225 ELDEN R. JOHNSON

8411 JAMES W. SWEENEY

8875 NICHOLAS MITCHELL

8979 THOMAS A. CASEY

DEPT. ENERGY CONSERVATION

F2R412248

ALYESKA PIPELINE ANCHORAGE 05-07-1990 13:20

AREA CODE, EXCHANGE & NUMBER 907 835 4698

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 8413 | 405 | 1408 | 907 | 835 | 4698 | 4 | 0.00 | 3 | 5 |

TOTALS FOR 1 CALLS 4 0.00

8413 Eileen A. McVey

[redacted]

DEPT. ENERGY CONSERVATION

[redacted]

F2R412247

ALYESKA PIPELINE VALDEZ 05-14-1990 15:55

AREA CODE, EXCHANGE & NUMBER 907 835 4698

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6217 | 412 | 1539 | 907 | 835 | 4698 | 3 | 0.00 | 1 | 21 |
| 6316 | 402 | 1627 | 907 | 835 | 4698 | 9 | 0.00 | 1 | 21 |
| 6351 | 424 | 1424 | 907 | 835 | 4698 | 3 | 0.00 | 1 | 12 |
| 6442 | 405 | 824 | 907 | 835 | 4698 | 5 | 0.00 | 1 | 12 |
| 6481 | 425 | 1131 | 907 | 835 | 4698 | 6 | 0.00 | 1 | 7 |
| 6536 | 420 | 1151 | 907 | 835 | 4698 | 4 | 0.00 | 1 | 7 |
| 6536 | 420 | 1538 | 907 | 835 | 4698 | 4 | 0.00 | 1 | 21 |
| 6565 | 424 | 1529 | 907 | 835 | 4698 | 6 | 0.00 | 1 | 22 |
| 6565 | 424 | 1536 | 907 | 835 | 4698 | 5 | 0.00 | 1 | 7 |
| 6591 | 419 | 837 | 907 | 835 | 4698 | 5 | 0.00 | 1 | 16 |

TOTALS FOR 10 CALLS 50 0.00

6217 ALLEN D. ALBRIGHT
6316
6351
6442
6481
6536 - DENNIS D. MAYER
PATRICK E. WELCH
6565 - JAMES W. WILSON
6591 - JOHN D. BALDRIDGE
PHILIP T. KOSZAREK
DAVID R. LAWRENCE
ROBERT D. PETERS

[redacted] DEPT ENERGY CONSERVATION

[redacted]

F2R412248

ALYESKA PIPELINE VALDEZ 05-16-1990 14:35

AREA CODE, EXCHANGE & NUMBER 907 835 2429

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6509 | 313 | 1659 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 21 |
| 6509 | 315 | 621 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 317 | 121 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 22 |
| 6509 | 321 | 1031 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 322 | 852 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 322 | 1458 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 323 | 634 | 907 | 835 | 2429 | 5 | 0.00 | 1 | 7 |
| 6509 | 326 | 623 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 326 | 856 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 326 | 1604 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 327 | 1535 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 328 | 1500 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 328 | 1605 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 21 |
| TOTALS | FOR | 13 CALLS | | | | 41 | 0.00 | | |

6509

[redacted]

PRICE/AHTNA

[redacted]

F2R412249

ALYESKA PIPELINE VALDEZ 05-15-1990 13:11

AREA CODE, EXCHANGE & NUMBER 907 835 2429

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6078 | 329 | 1516 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6078 | 329 | 1519 | 907 | 835 | 2429 | 5 | 0.00 | 1 | 21 |
| 6509 | 331 | 1659 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 21 |
| 6509 | 331 | 621 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 331 | 121 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 22 |
| 6509 | 331 | 1031 | 907 | 835 | 2129 | 3 | 0.00 | 1 | 7 |
| 6509 | 332 | 852 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 332 | 1158 | 907 | 835 | 2129 | 3 | 0.00 | 1 | 7 |
| 6509 | 323 | 634 | 907 | 835 | 2429 | 5 | 0.00 | 1 | 7 |
| 6509 | 326 | 623 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 326 | 856 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 326 | 1604 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 327 | 1535 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 328 | 1500 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 329 | 1605 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 21 |
| TOTALS | FOR | 15 CALLS | | | | 49 | 0.00 | | |

6078 - Pat Kiml
6509 - OCC Fax Machine

PRICE/ANCHA

F2R412250

ALYESKA PIPELINE VALDEZ 05-14-1990 13:33

AREA CODE, EXCHANGE & NUMBER 907 835 2429

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6509 | 401 | 1306 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 402 | 505 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 403 | 1210 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 22 |
| 6509 | 403 | 1637 | 907 | 835 | 2429 | 4 | 0.00 | 1 | 21 |
| 6509 | 403 | 1818 | 907 | 835 | 2429 | 6 | 0.00 | 1 | 21 |
| 6509 | 404 | 736 | 907 | 835 | 2429 | 6 | 0.00 | 1 | 21 |
| 6509 | 410 | 837 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 21 |
| 6509 | 412 | 1529 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 22 |
| 6509 | 412 | 2209 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 415 | 613 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 415 | 1646 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 21 |
| 6509 | 416 | 1501 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 417 | 617 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 417 | 1526 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 21 |
| 6509 | 417 | 2016 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 21 |
| 6509 | 418 | 13 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 21 |
| 6509 | 418 | 838 | 907 | 835 | 2429 | 6 | 0.00 | 1 | 7 |
| 6509 | 418 | 1605 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 419 | 845 | 907 | 835 | 2429 | 2 | 0.00 | 1 | 7 |
| 6509 | 419 | 1525 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 420 | 827 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 420 | 902 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 21 |
| 6509 | 420 | 1421 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 21 |
| 6509 | 420 | 1625 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 422 | 124 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 24 |
| 6509 | 424 | 854 | 907 | 835 | 2429 | 4 | 0.00 | 1 | 21 |
| 6509 | 425 | 841 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |
| 6509 | 426 | 1449 | 907 | 835 | 2429 | 3 | 0.00 | 1 | 7 |

PRICE / WHITNA

F2R412251

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 6509 | 126 | 1818 | 907 | 835 | 2329 | 3 | 0.00 | 1 | 7 |
| TOTALS | FOR | 29 CALLS | | | | 97 | 3.29 | | |

6509-

ALYESKA PIPELINE VALDEZ 05-14-1990 14:10

AREA CODE, EXCHANGE & NUMBER 907 835 5362

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6560 | 422 | 812 | 907 | 835 | 5362 | 13 | 0.00 | 1 | 21 |

TOTALS FOR 1 CALLS 13 0.00

6560 LISTED PRIOR - ERNIE G. BANDLIN + 11 OTHERS

GEORGE VALTR

F2R412253

ALYESKA PIPELINE VALDEZ 05-15-1990 13:53
AREA CODE, EXCHANGE & NUMBER 907 835 5362

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6367 | 311 | 1720 | 907 | 835 | 5362 | 8 | 0.00 | 1 | 7 |
| 6560 | 325 | 1511 | 907 | 835 | 5362 | 5 | 0.00 | 1 | 21 |

TOTALS FOR 2 CALLS 13 0.00

6367
6560 - Lisled pair - stats w/ Ernie G. Bandchi + others

[redacted]

F2R412254

ALYESKA PIPELINE VALDEZ 05-16-1990 15:24

AREA CODE, EXCHANGE & NUMBER 907 835 5362

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6213 | 207 | 1633 | 907 | 835 | 5362 | 9 | 0.00 | 1 | 17 |
| 6367 | 211 | 1720 | 907 | 835 | 5362 | 9 | 0.00 | 1 | 7 |
| 6560 | 325 | 1541 | 907 | 835 | 5362 | 5 | 0.00 | 1 | 21 |

TOTALS FOR 3 CALLS 23 0.00

6213
6367
6560 – Principal Ernie G. Bandelin + 11 others

[redacted]

GEORGE VARR

[redacted]

F2R412255

ALYESKA PIPELINE ANCHORAGE F 11 1983 [illegible]

AREA CODE, EXCHANGE & NUMBER 907 257[illegible]222

| EXT | DATE | TIME | NO | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 8312 | 202 | 1623 | 907 | 257 | 0222 | 6 | 0.00 | 1 | 16 |
| 8312 | 228 | 858 | 907 | 257 | [illegible]222 | 3 | 0.00 | 1 | 17 |
| TOTALS FOR | | | 2 CALLS | | | 9 | 0.00 | | |

8312 Margaret H. Lucas

CHANNEL 2

F2R412256

ALYESKA PIPELINE ANCHORAGE 05-10-1999 08:45
AREA CODE, EXCHANGE & NUMBER 907 257 222

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 8312 | 330 | 1108 | 907 | 257 | 0222 | 1 | 0.00 | 1 | 16 |

TOTALS FOR 1 CALLS 1 0.00

CHANNEL 2

F2R412257

ALYESKA PIPELINE VALDEZ 05-16-1990 09:43
AREA CODE, EXCHANGE & NUMBER 907 2570222

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 832 | 331 | 1052 | 907 | 257 | 0222 | 1 | 0.62 | 1 | 8 |

TOTALS FOR 1 CALLS 1 0.62

CHANNEL 2

F2R412258

ALYESKA PIPELINE ANCHORAGE 05-11-1990 13:03
AREA CODE, EXCHANGE & NUMBER 503 293 1903

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 8970 | 213 | 1410 | 503 | 293 | 1903 | 1 | 1.00 | 2 | 2 |
| 8970 | 220 | 1002 | 503 | 293 | 1903 | 7 | 0.75 | 2 | 1 |
| TOTALS | | FOR | 2 CALLS | | | 7 | 1.75 | | |

8970 George J. Yurkovich

OREGON PUBLIC BROADCASTING

F2R412259

ALYESKA PIPELINE VALDEZ 05-16-1990 14:54

AREA CODE, EXCHANGE & NUMBER 907 835 4445

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6015 | 201 | 930 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 12 |
| 6015 | 204 | 1306 | 907 | 835 | 4445 | 9 | 0.00 | 1 | 12 |
| 6015 | 220 | 2050 | 907 | 835 | 4445 | 8 | 0.00 | 1 | 12 |
| 6037 | 215 | 1404 | 907 | 835 | 4445 | 1 | 0.00 | 1 | 11 |
| 6037 | 220 | 1611 | 907 | 835 | 4445 | 14 | 0.00 | 1 | 11 |
| 6047 | 223 | 1054 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 12 |
| 6047 | 227 | 1259 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 11 |
| 6057 | 214 | 1351 | 907 | 835 | 4445 | 18 | 0.00 | 1 | 12 |
| 6076 | 304 | 1252 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 21 |
| 6076 | 220 | 1608 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 16 |
| 6222 | 213 | 1331 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 21 |
| 6276 | 215 | 2040 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 24 |
| 6442 | 304 | 956 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6480 | 303 | 2035 | 907 | 835 | 4445 | 13 | 0.00 | 1 | 22 |
| 6480 | 306 | 2010 | 907 | 835 | 4445 | 18 | 0.00 | 1 | 7 |
| 6480 | 307 | 2012 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 21 |
| 6533 | 313 | 1419 | 907 | 835 | 4445 | 6 | 0.00 | 1 | 22 |
| 6533 | 328 | 1139 | 907 | 835 | 4445 | 5 | 0.00 | 1 | 24 |
| 6581 | 301 | 1044 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 11 |
| 6581 | 305 | 2130 | 907 | 835 | 4445 | 8 | 0.00 | 1 | 11 |
| 6581 | 308 | 1608 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6581 | 310 | 1936 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 12 |
| 6581 | 310 | 1937 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 13 |
| 6581 | 310 | 2134 | 907 | 835 | 4445 | 8 | 0.00 | 1 | 12 |
| 6581 | 319 | 1045 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 14 |
| 6581 | 326 | 1152 | 907 | 835 | 4445 | 7 | 0.00 | 1 | 11 |
| 6581 | 328 | 826 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6582 | 305 | 1408 | 907 | 835 | 4445 | 6 | 0.00 | 1 | 11 |
| 6582 | 306 | 1419 | 907 | 835 | 4445 | 6 | 0.00 | 1 | 11 |

ED WALKER

F2R412261

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 6582 | [illegible] | [illegible] | [illegible] | [illegible] | 4445 | 4 | 0.00 | 1 | 11 |
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 4445 | 3 | 0.00 | 1 | 11 |
| 6582 | 326 | 1116 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6582 | 326 | 1838 | 907 | 835 | 4445 | 9 | 0.00 | 1 | 11 |
| 6582 | 326 | 1008 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 12 |
| 6582 | 330 | 1011 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 13 |
| 6703 | 324 | 732 | 907 | 835 | 4445 | 5 | 0.00 | 1 | 11 |
| 6703 | 327 | 916 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 11 |
| 6703 | 702 | 1705 | 907 | 835 | 4445 | 8 | 0.00 | 1 | 11 |
| TOTALS | | FOR | 38 CALLS | | | 220 | 0.00 | | |

ALYESKA PIPELINE VALDEZ 05-15-1990 13:30

AREA CODE: EXCHANGE & NUMBER 907 835 4445

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6015 | 307 | 1412 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 11 |
| 6015 | 307 | 1506 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6015 | 307 | 1106 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 10 |
| 6015 | 311 | 1353 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6015 | 311 | 1732 | 907 | 835 | 4445 | 6 | 0.00 | 1 | 11 |
| 6015 | 315 | 2003 | 907 | 835 | 4445 | 7 | 0.00 | 1 | 11 |
| 6015 | 317 | 1901 | 907 | 835 | 4445 | 1 | 0.00 | 1 | 11 |
| 6015 | 319 | 2010 | 907 | 835 | 4445 | 6 | 0.00 | 1 | 11 |
| 6015 | 319 | 2010 | 907 | 835 | 4445 | 10 | 0.00 | 1 | 12 |
| 6015 | 320 | 640 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6015 | 326 | 2013 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 11 |
| 6015 | 326 | 2049 | 907 | 835 | 4445 | 10 | 0.00 | 1 | 11 |
| 6015 | 329 | 913 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6015 | 331 | 1547 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 11 |
| 6015 | 321 | 1530 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 7 |
| 6047 | 313 | 1520 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 11 |
| 6047 | 315 | 908 | 907 | 835 | 4445 | 5 | 0.00 | 1 | 11 |
| 6047 | 321 | 1913 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 11 |
| 6057 | 309 | 1229 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 11 |
| 6076 | 327 | 1244 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 21 |
| 6091 | 306 | 1011 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6209 | 309 | 1448 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 21 |
| 6442 | 304 | 956 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6480 | 303 | 2035 | 907 | 835 | 4445 | 13 | 0.00 | 1 | 22 |
| 6480 | 306 | 2010 | 907 | 835 | 4445 | 18 | 0.00 | 1 | 7 |
| 6480 | 307 | 2012 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 21 |
| 6533 | 313 | 1419 | 907 | 835 | 4445 | 6 | 0.00 | 1 | 22 |

E.D. WALKER

F2R412264

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 6581 | 301 | 1044 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 11 |
| 6581 | 305 | 2130 | 907 | 835 | 4445 | 8 | 0.00 | 1 | 11 |
| 6581 | 308 | 1608 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6581 | 310 | 1936 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 12 |
| 6581 | 310 | 1937 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 13 |
| 6581 | 310 | 2134 | 907 | 835 | 4445 | 8 | 0.00 | 1 | 12 |
| 6581 | 319 | 1045 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 14 |
| 6581 | 326 | 1152 | 907 | 835 | 4445 | 7 | 0.00 | 1 | 11 |
| 6581 | 328 | 826 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6582 | 305 | 1408 | 907 | 835 | 4445 | 6 | 0.00 | 1 | 11 |
| 6582 | 306 | 1119 | 907 | 835 | 4445 | 6 | 0.00 | 1 | 11 |
| 6582 | 311 | 1720 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 11 |
| 6582 | 314 | 1056 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6582 | 326 | 1446 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6582 | 326 | 1838 | 907 | 835 | 4445 | 9 | 0.00 | 1 | 11 |
| 6582 | 329 | 1008 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 12 |
| 6582 | 330 | 1311 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 13 |
| 6702 | 326 | 602 | 907 | 835 | 4445 | 5 | 0.00 | 1 | 11 |
| 6703 | 307 | 916 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 12 |
| 6703 | 322 | 1725 | 907 | 835 | 4445 | 8 | 0.00 | 1 | 14 |
| TOTALS | | FOR | 48 | CALLS | | 215 | 0.00 | | |

ALYESKA PIPELINE VALDEZ 05-14-1990 13:50

AREA CODE, EXCHANGE & NUMBER 907 835 4445

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 806 | 406 | 1545 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 991 | 406 | 1620 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6012 | 406 | 1520 | 907 | 835 | 4445 | 11 | 0.00 | 1 | 11 |
| 6015 | 402 | 933 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 14 |
| 6015 | 403 | 1526 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 12 |
| 6015 | 422 | 709 | 907 | 835 | 4445 | 4 | 0.00 | 2 | 18 |
| 6015 | 422 | 1718 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6047 | 402 | 1639 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6047 | 418 | 1446 | 907 | 835 | 4445 | 5 | 0.00 | 1 | 12 |
| 6047 | 424 | 841 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6047 | 424 | 1525 | 907 | 835 | 4445 | 7 | 0.00 | 1 | 11 |
| 6057 | 406 | 732 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 12 |
| 6057 | 427 | 236 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 12 |
| 6076 | 410 | 1421 | 907 | 835 | 4445 | 11 | 0.00 | 1 | 16 |
| 6092 | 428 | 0 | 907 | 835 | 4445 | 32 | 0.00 | 1 | 11 |
| 6092 | 428 | 251 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 11 |
| 6209 | 424 | 1302 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 21 |
| 6238 | 401 | 1357 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 22 |
| 6283 | 417 | 1402 | 907 | 835 | 4445 | 9 | 0.00 | 1 | 17 |
| 6495 | 404 | 827 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 14 |
| 6495 | 406 | 1533 | 907 | 835 | 4445 | 6 | 0.00 | 1 | 11 |
| 6495 | 406 | 1555 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6495 | 408 | 1456 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6495 | 420 | 1311 | 907 | 835 | 4445 | 6 | 0.00 | 1 | 11 |
| 6495 | 429 | 1215 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 12 |
| 6533 | 406 | 1115 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 7 |
| 6533 | 410 | 1122 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 21 |
| 6533 | 410 | 1306 | 907 | 835 | 4445 | 5 | 0.00 | 1 | 7 |

1011

ED WALKER

FZR412286

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 6533 | 410 | 1603 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 7 |
| 6533 | 423 | 1121 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 7 |
| 6533 | 423 | 1455 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 7 |
| 6533 | 424 | 1023 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 22 |
| 6560 | 424 | 1013 | 907 | 835 | 4445 | 5 | 0.00 | 1 | 16 |
| 6581 | 411 | 1404 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6581 | 416 | 900 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 13 |
| 6581 | 418 | 813 | 907 | 835 | 4445 | 5 | 0.00 | 1 | 12 |
| 6581 | 421 | 821 | 907 | 835 | 4445 | 4 | 0.00 | 1 | 11 |
| 6581 | 423 | 1936 | 907 | 835 | 4445 | 36 | 0.00 | 1 | 11 |
| 6581 | 429 | 1724 | 907 | 835 | 4445 | 8 | 0.00 | 1 | 11 |
| 6581 | 430 | 629 | 907 | 835 | 4445 | 6 | 0.00 | 1 | 11 |
| 6582 | 404 | 819 | 907 | 835 | 4445 | 8 | 0.00 | 1 | 11 |
| 6582 | 407 | 819 | 907 | 835 | 4445 | 6 | 0.00 | 1 | 11 |
| 6582 | 412 | 1302 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 12 |
| 6582 | 423 | 1312 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 12 |
| 6582 | 425 | 2048 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6582 | 426 | 611 | 907 | 835 | 4445 | 8 | 0.00 | 1 | 11 |
| 6583 | 427 | 1702 | 907 | 835 | 4445 | 9 | 0.00 | 1 | 12 |
| 6701 | 416 | 1549 | 907 | 835 | 4445 | 5 | 0.00 | 1 | 24 |
| 6701 | 422 | 1015 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 7 |
| 6701 | 422 | 1018 | 907 | 835 | 4445 | 6 | 0.00 | 1 | 7 |
| 6703 | 401 | 1929 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6703 | 411 | 1350 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |
| 6703 | 416 | 1043 | 907 | 835 | 4445 | 5 | 0.00 | 1 | 12 |
| 6703 | 416 | 1452 | 907 | 835 | 4445 | 5 | 0.00 | 1 | 12 |

ALYESKA PIPELINE VALDEZ 05-14-1990 13:50

AREA CODE, EXCHANGE & NUMBER 907 835 4445

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6703 | 424 | 1046 | 907 | 835 | 4445 | 3 | 0.00 | 1 | 11 |

TOTALS FOR 55 CALLS 313 0.00

6703 -

ALYESKA PIPELINE ANCHORAGE 05-07-1990 13:10
AREA CODE. EXCHANGE & NUMBER 907 835 4445

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 8046 + | 425 | 1105 | 907 | 835 | 4445 | 4 | 0.00 | 3 | 5 |
| 8325 + | 418 | 728 | 907 | 835 | 4445 | 9 | 0.00 | 3 | 5 |
| 8726 + | 420 | 755 | 907 | 835 | 4445 | 23 | 0.00 | 7 | 1 |
| 8726 + | 420 | 1636 | 907 | 835 | 4445 | 12 | 0.00 | 7 | 2 |
| TOTALS | | FOR | 4 CALLS | | | 48 | 0.00 | | |

8046 JEANNE M. CREW
8325 BRUCE T. BISHOP / TERRY DODSON
8726 GREGORY W. DE BRAA/LARRY A. DISBROW
8

ED WALKER

F2R412269

ALYESKA PIPELINE ANCHORAGE 05-07-1990 13:36
AREA CODE, EXCHANGE & NUMBER 907 277 9501

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 8467 | 427 | 942 | 907 | 277 | 9501 | 4 | 0.00 | 1 | 12 |
| TOTALS | FOR | 1 CALLS | | | | 4 | 0.00 | | |

VOYAGER HOTEL

8467 Laurie I. ASHBY
HOWARD SPEAR

NOT LISTED

ALYESKA PIPELINE ANCHORAGE 05-09-1990 09:14
AREA CODE, EXCHANGE & NUMBER 907 277 9501

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 8844 | 322 | 1358 | 907 | 277 | 9501 | 3 | 0.00 | 1 | 13 |
| TOTALS | FOR | 1 CALLS | | | | 3 | 0.00 | | |

PMF # 7844 — USED BY ALL BELOW

JAMES E. BURUEM
CHERL A. GRAAN
JEANNETTE K. HANSON
BENJAMIN JACK
CLETUS A. LABOE
LARRY L. MORAN
ROBERT A. POGGAS
ALFRED D. RYBARCZYK
RAYMOND W. SEETOMONA
GARY A. SHERRER
RICHARD W. SHOWALTER
THOMAS C. SWEAT JR.

~~NOT LISTED~~

VOYAGER HOTEL

F2R412271

ALYESKA PIPELINE ANCHORAGE 05-11-1990 10:13
AREA CODE. EXCHANGE & NUMBER 907 269 5604

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 8559 | 227 | 1259 | 907 | 269 | 5604 | 3 | 0.00 | 1 | 16 |
| 8572 | 202 | 1101 | 907 | 269 | 5604 | 3 | 0.00 | 1 | 10 |
| 8762 | 209 | 856 | 907 | 269 | 5604 | 5 | 0.00 | 1 | 4 |
| TOTALS | FOR | 3 CALLS | | | | 11 | 0.00 | | |

8559
8572 - James D. Hill (AGAI)
Mark D'Anderson
8762 - Jeffrey A. Happe
Linda J. Hoffman

STATE FIRE MARSHALL

C64

F2R412272

ALYESKA PIPELINE ANCHORAGE 05-10-1990 08:57
AREA CODE, EXCHANGE & NUMBER 907 269 5604

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 8559 | 322 | 1536 | 907 | 269 | 5604 | 6 | 0.00 | 1 | 3 |
| 8826 | 308 | 1412 | 907 | 269 | 5604 | 9 | 0.00 | 1 | 18 |
| TOTALS | FOR | 2 CALLS | | | | 15 | 0.00 | | |

8559 - J.M. FLORES

8826 ROBERT N. LUND

STATE FIRE MARSHALL

E61

F2R412273

ALYESKA PIPELINE VALDEZ 05-16-1990 09:56
AREA CODE, EXCHANGE & NUMBER 907 269 5604

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6579 | 308 | 1250 | 907 | 269 | 5604 | 7 | 2.10 | 2 | 1 |

TOTALS FOR 1 CALLS 7 2.10

6579 printed slant Earl D. Ash
Elmer E. Atteberry
John A. Ehrmann
Bruce L. Williams

STATE FIRE MARSHALL

F65

F2R412274

ALYESKA PIPELINE ANCHORAGE 05-08-1990 08:25

AREA CODE, EXCHANGE & NUMBER 907 269 5604

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 8440 | 417 | 1433 | 907 | 269 | 5604 | 3 | 0.00 | 1 | 16 |
| 8559 | 423 | 1023 | 907 | 269 | 5604 | 7 | 0.00 | 1 | 14 |

TOTALS FOR 2 CALLS 10 0.00

8440 CHRISTOPHER M. GIANOTTI

8559 - J. M. FLORES

[redacted]

STATE FIRE MARSHALL

[redacted]

H59

F2R412275

ALYESKA PIPELINE ANCHORAGE 05-10-1990 14:40

AREA CODE, EXCHANGE & NUMBER 907 563 6529

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 8076 | 221 | 913 | 907 | 563 | 6529 | 6 | 0.00 | 1 | 7 |
| 8076 | 223 | 1453 | 907 | 563 | 6529 | 6 | 0.00 | 1 | 2 |
| 8076 | 227 | 832 | 907 | 563 | 6529 | 44 | 0.00 | 1 | 23 |
| 8142 | 205 | 1047 | 907 | 563 | 6529 | 6 | 0.00 | 1 | 14 |
| 8142 | 208 | 922 | 907 | 563 | 6529 | 28 | 0.00 | 1 | 19 |
| 8161 | 220 | 1402 | 907 | 563 | 6529 | 3 | 0.00 | 1 | 12 |
| 8179 | 208 | 1432 | 907 | 563 | 6529 | 17 | 0.00 | 1 | 12 |
| 8202 | 223 | 1001 | 907 | 563 | 6529 | 3 | 0.00 | 1 | 14 |
| 8284 | 212 | 1306 | 907 | 563 | 6529 | 5 | 0.00 | 1 | 7 |
| 8411 | 202 | 921 | 907 | 563 | 6529 | 9 | 0.00 | 1 | 6 |
| 8437 | 201 | 937 | 907 | 563 | 6529 | 4 | 0.00 | 1 | 14 |
| 8437 | 226 | 1159 | 907 | 563 | 6529 | 6 | 0.00 | 1 | 13 |
| 8440 | 202 | 1324 | 907 | 563 | 6529 | 5 | 0.00 | 1 | 9 |
| 8440 | 209 | 1340 | 907 | 563 | 6529 | 11 | 0.00 | 1 | 5 |
| 8600 | 202 | 1300 | 907 | 563 | 6529 | 3 | 0.00 | 1 | 2 |
| 8698 | 207 | 1455 | 907 | 563 | 6529 | 9 | 0.00 | 1 | 17 |
| 8698 | 213 | 1636 | 907 | 563 | 6529 | 14 | 0.00 | 1 | 3 |
| 8698 | 214 | 1037 | 907 | 563 | 6529 | 37 | 0.00 | 1 | 7 |
| 8698 | 226 | 1538 | 907 | 563 | 6529 | 3 | 0.00 | 1 | 10 |
| 8829 | 222 | 1423 | 907 | 563 | 6529 | 3 | 0.00 | 1 | 5 |
| 8875 | 228 | 1523 | 907 | 563 | 6529 | 4 | 0.00 | 1 | 18 |
| 8875 | 228 | 1622 | 907 | 563 | 6529 | 5 | 0.00 | 1 | 5 |
| 8875 | 228 | 1641 | 907 | 563 | 6529 | 5 | 0.00 | 1 | 11 |
| 8875 | 228 | 1652 | 907 | 563 | 6529 | 6 | 0.00 | 1 | 8 |
| 8879 | 202 | 1531 | 907 | 563 | 6529 | 6 | 0.00 | 1 | 16 |
| 8879 | 221 | 1640 | 907 | 563 | 6529 | 4 | 0.00 | 1 | 10 |
| 8941 | 212 | 1331 | 907 | 563 | 6529 | 7 | 0.00 | 1 | 7 |
| 8979 | 214 | 1302 | 907 | 563 | 6529 | 3 | 0.00 | 1 | 3 |
| TOTALS | FOR | 28 CALLS | | | | 262 | 0.00 | | |

STATE ALASKA POLLUTION CONTROL

65

F2R412276

ALYESKA PIPELINE VALDEZ 05-16-1990 14:16
AREA CODE, EXCHANGE & NUMBER 907 563 6529

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6565 | 329 | 1602 | 907 | 563 | 6529 | 4 | 1.20 | 2 | 2 |

TOTALS FOR 1 CALLS 4 1.20

6565 James W. Wilson

STATE ALASKA POLLUTION CONTROL

06

F2R412277

ALYESKA PIPELINE ANCHORAGE 05-08-1990 11:25

AREA CODE, EXCHANGE & NUMBER 907 563 6529

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 3281 | 319 | 1457 | 907 | 563 | 6529 | 5 | 0.00 | 1 | 11 |
| 8104 | 313 | 1042 | 907 | 563 | 6529 | 6 | 0.00 | 1 | 5 |
| 8142 | 302 | 1341 | 907 | 563 | 6529 | 3 | 0.00 | 1 | 27 |
| 8142 | 302 | 1543 | 907 | 563 | 6529 | 9 | 0.00 | 1 | 18 |
| 8142 | 327 | 1132 | 907 | 563 | 6529 | 3 | 0.00 | 1 | 6 |
| 8179 | 322 | 1451 | 907 | 563 | 6529 | 15 | 0.00 | 1 | 7 |
| 8284 | 328 | 1318 | 907 | 563 | 6529 | 3 | 0.00 | 1 | 16 |
| 8411 | 306 | 1605 | 907 | 563 | 6529 | 3 | 0.00 | 1 | 6 |
| 8411 | 307 | 1029 | 907 | 563 | 6529 | 8 | 0.00 | 1 | 8 |
| 8437 | 307 | 831 | 907 | 563 | 6529 | 9 | 0.00 | 1 | 6 |
| 8437 | 314 | 903 | 907 | 563 | 6529 | 8 | 0.00 | 1 | 2 |
| 8437 | 319 | 1057 | 907 | 563 | 6529 | 3 | 0.00 | 1 | 1 |
| 8678 | 329 | 1434 | 907 | 563 | 6529 | 3 | 0.00 | 1 | 1 |
| 8698 | 302 | 1448 | 907 | 563 | 6529 | 19 | 0.00 | 1 | 2 |
| 8698 | 308 | 1009 | 907 | 563 | 6529 | 11 | 0.00 | 1 | |
| 8698 | 316 | 1534 | 907 | 563 | 6529 | 22 | 0.00 | 1 | 1 |
| 8698 | 319 | 836 | 907 | 563 | 6529 | 10 | 0.00 | 1 | 1 |
| 8698 | 319 | 1500 | 907 | 563 | 6529 | 3 | 0.00 | 1 | |
| 8698 | 320 | 1127 | 907 | 563 | 6529 | 13 | 0.00 | 1 | |
| 8698 | 320 | 1443 | 907 | 563 | 6529 | 3 | 0.00 | 1 | 11 |
| 8698 | 327 | 1546 | 907 | 563 | 6529 | 4 | 0.00 | 1 | 6 |
| 8698 | 329 | 1705 | 907 | 563 | 6529 | 6 | 0.00 | 1 | 2 |
| 8698 | 330 | 1104 | 907 | 563 | 6529 | 10 | 0.00 | 1 | 13 |
| 8698 | 330 | 1535 | 907 | 563 | 6529 | 8 | 0.00 | 1 | 23 |
| 8799 | 309 | 1053 | 907 | 563 | 6529 | 4 | 0.00 | 1 | 7 |
| 8799 | 313 | 1304 | 907 | 563 | 6529 | 3 | 0.00 | 1 | 13 |
| 8826 | 306 | 1618 | 907 | 563 | 6529 | 7 | 0.00 | 1 | 5 |
| 8829 | 315 | 1343 | 907 | 563 | 6529 | 5 | 0.00 | 1 | |
| 8969 | 301 | 1429 | 907 | 563 | 6529 | 3 | 0.00 | 1 | |

STATE ALASKA POLLUTION CONTROL

see attached follow sheet

E 4

F2R412278

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 8979 | 301 | 1613 | 907 | 563 | 6529 | 4 | 0.00 | 1 | 13 |
| 8979 | 302 | 1017 | 907 | 563 | 6529 | 3 | 0.00 | 1 | 13 |
| 8981 | 330 | 935 | 907 | 563 | 6529 | 4 | 0.00 | 1 | 3 |
| 8981 | 330 | 1326 | 907 | 563 | 6529 | 5 | 0.00 | 1 | 9 |
| TOTALS | | FOR | 33 | CALLS | | 225 | 0.00 | | |



See attached Yellow Sheet

E5

F2R412279

ALYESKA PIPELINE VALDEZ 05-15-1990 12:49

AREA CODE, EXCHANGE & NUMBER 907 563 6529

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6565 | 329 | 1602 | 907 | 563 | 6529 | 4 | 1.20 | 2 | 2 |

TOTALS FOR 1 CALLS 4 1.20

STATE ALASKA POLLUTION CONTROL

F5

F2R412280

ALYESKA PIPELINE ANCHORAGE 05-11-1990 14:01
AREA CODE, EXCHANGE & NUMBER 907 563 6529

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 8437 | 103 | 819 | 907 | 563 | 6529 | 6 | 0.00 | 1 | 7 |
| 8437 | 104 | 818 | 907 | 563 | 6529 | 4 | 0.00 | 1 | 12 |
| 8437 | 112 | 838 | 907 | 563 | 6529 | 12 | 0.00 | 1 | 17 |
| 8437 | 122 | 848 | 907 | 563 | 6529 | 15 | 0.00 | 1 | 11 |
| 8698 | 116 | 1130 | 907 | 563 | 6529 | 22 | 0.00 | 1 | 9 |
| 8698 | 116 | 1631 | 907 | 563 | 6529 | 8 | 0.00 | 1 | 9 |
| 8698 | 117 | 857 | 907 | 563 | 6529 | 6 | 0.00 | 1 | 10 |
| 8698 | 129 | 923 | 907 | 563 | 6529 | 29 | 0.00 | 1 | 7 |
| TOTALS | | FOR | 8 CALLS | | | 102 | 0.00 | | |

8437 RICHARD MIKKELSON
8698 ECKART H. HAAS

STATE ALASKA
POLLUTION CONTROL

B4

F2R412281

ALYESKA PIPELINE VALDEZ 05-14-1990 13:12
AREA CODE, EXCHANGE & NUMBER 907 563 6529

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 976 | 416 | 1540 | 907 | 563 | 6529 | 8 | 2.40 | 2 | 7 |

TOTALS FOR 1 CALLS 8 2.40

976

[redacted]
STATE ALASKA POLLUTION CONTROL
[redacted]

G6

F2R412282

ALYESKA PIPELINE ANCHORAGE 05-10-1990 08:23

AREA CODE, EXCHANGE & NUMBER 907 563 6529

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| (976) | 416 | 1542 | 907 | 563 | 6529 | 8 | 0.00 | 1 | 2 |
| 3196 | 425 | 847 | 907 | 563 | 6529 | 4 | 0.00 | 1 | 10 |
| 3565 | 404 | 1042 | 907 | 563 | 6529 | 5 | 0.00 | 1 | 19 |
| 8179 | 409 | 1339 | 907 | 563 | 6529 | 11 | 0.00 | 1 | 14 |
| 8179 | 416 | 821 | 907 | 563 | 6529 | 6 | 0.00 | 1 | 14 |
| 8411 | 424 | 1301 | 907 | 563 | 6529 | 5 | 0.00 | 1 | 5 |
| 8437 | 403 | 1636 | 907 | 563 | 6529 | 3 | 0.00 | 1 | 24 |
| 8437 | 406 | 933 | 907 | 563 | 6529 | 5 | 0.00 | 1 | 17 |
| 8437 | 412 | 1341 | 907 | 563 | 6529 | 5 | 0.00 | 1 | 8 |
| 8508 | 417 | 1613 | 907 | 563 | 6529 | 4 | 0.00 | 1 | 10 |
| 8678 | 425 | 1314 | 907 | 563 | 6529 | 3 | 0.00 | 1 | 20 |
| 8698 | 402 | 1102 | 907 | 563 | 6529 | 34 | 0.00 | 1 | 21 |
| 8698 | 411 | 917 | 907 | 563 | 6529 | 11 | 0.00 | 1 | 3 |
| 8698 | 411 | 955 | 907 | 563 | 6529 | 5 | 0.00 | 1 | 13 |
| 8698 | 417 | 801 | 907 | 563 | 6529 | 4 | 0.00 | 1 | 6 |
| 8698 | 423 | 1615 | 907 | 563 | 6529 | 35 | 0.00 | 1 | 10 |
| 8698 | 427 | 1131 | 907 | 563 | 6529 | 7 | 0.00 | 1 | 20 |
| 8866 | 402 | 1653 | 907 | 563 | 6529 | 5 | 0.00 | 1 | 8 |
| 8885 | 423 | 1341 | 907 | 563 | 6529 | 13 | 0.00 | 1 | 14 |
| 8941 | 417 | 1017 | 907 | 563 | 6529 | 6 | 0.00 | 1 | 7 |
| TOTALS | | FOR [redacted] | | 20 CALLS | | 179 | 0.00 | | |

STATE ALASKA POLLUTION CONTROL

3196 KAREN [redacted]KILTY
3565 ROBERT I. SHOAF
8179 DAVID J. NORTON
8411 JAMES W. SWEENEY
8437 RICHARD L. MIKKELSEN
8508 GEORGE D. ROONEY
8678 OSCAR E. DICKASON
8698 ECKART H. HAAS
8866 CONNIE L. MILLIGAN
8885 NOTE: CONTRACTOR NAME/WAS HELEN C. NIENKARK
8941 JAMES A. NELSON

976 - P.S. # 4

H3

F2R412283

ALYESKA PIPELINE ANCHORAGE 05-10-1990 15:25
AREA CODE, EXCHANGE & NUMBER 907 835 4560

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 8598 | 226 | 1535 | 907 | 835 | 4560 | 5 | 0.00 | 3 | 4 |

TOTALS FOR 1 CALLS 5 0.00

- AMF -
8598 - Steve Anderson
Martin P. Berkelo
Peter M. Bradshaw
Hal E. Eppley
David W. Joerg
Steven T. Johnson
Gary R. Koski
Robert D. Lowery
Arthur J. Parrish
Billy M. Radford
Corazon S. Riddle
Howard L. Roberson
Dennis M. Shaughnessy
James A. Steele
Fred J. Wohlleberman

VALDEZ POLICE & FIRE

e16

F2R412284

ALYESKA PIPELINE VALDEZ 05-16-1990 15:00

AREA CODE, EXCHANGE & NUMBER 907 835 4560

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6039 | 207 | 817 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 12 |
| 6218 | 201 | 1631 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 24 |
| 6242 | 211 | 824 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 11 |
| 6276 | 208 | 1213 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 21 |
| 6283 | 202 | 1553 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 7 |
| 6283 | 205 | 1306 | 907 | 835 | 4560 | 6 | 0.00 | 1 | 21 |
| 6308 | 301 | 2001 | 907 | 835 | 4560 | 7 | 0.00 | 1 | 7 |
| 6367 | 313 | 1624 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 17 |
| 6436 | 305 | 1424 | 907 | 835 | 4560 | 9 | 0.00 | 1 | 7 |
| 6444 | 314 | 1428 | 907 | 835 | 4560 | 9 | 0.00 | 1 | 7 |
| 6444 | 317 | 1416 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 22 |
| 6480 | 325 | 59 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 7 |
| 6480 | 331 | 2034 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 7 |
| 6502 | 305 | 1520 | 907 | 835 | 4560 | 4 | 0.00 | 1 | 22 |
| 6560 | 305 | 936 | 907 | 835 | 4560 | 8 | 0.00 | 1 | 7 |
| 6560 | 316 | 1415 | 907 | 835 | 4560 | 6 | 0.00 | 1 | 7 |
| 6568 | 327 | 916 | 907 | 835 | 4560 | 5 | 0.00 | 1 | 21 |
| 6568 | 327 | 918 | 907 | 835 | 4560 | 9 | 0.00 | 1 | 7 |
| 6568 | 329 | 1327 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 7 |
| 6579 | 306 | 1250 | 907 | 835 | 4560 | 7 | 0.00 | 1 | 21 |
| 6579 | 313 | 1617 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 16 |
| TOTALS | | FOR | 21 CALLS | | | 103 | 0.00 | | |

VALDEZ POLICE & FIRE

B18

F2R412285

ALYESKA PIPELINE VALDEZ 05-14-1990 13:55

AREA CODE, EXCHANGE & NUMBER 907 835 4560

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6015 | 423 | 805 | 907 | 835 | 4560 | 6 | 0.00 | 1 | 11 |
| 6076 | 402 | 1022 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 7 |
| 6080 | 411 | 1207 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 7 |
| 6200 | 405 | 707 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 11 |
| 6200 | 405 | 924 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 11 |
| 6200 | 405 | 1432 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 12 |
| 6200 | 406 | 705 | 907 | 835 | 4560 | 4 | 0.00 | 1 | 13 |
| 6200 | 423 | 1101 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 12 |
| 6211 | 423 | 2048 | 907 | 835 | 4560 | 5 | 0.00 | 1 | 21 |
| 6238 | 423 | 959 | 907 | 835 | 4560 | 4 | 0.00 | 1 | 7 |
| 6276 | 411 | 1526 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 21 |
| 6283 | 410 | 1406 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 7 |
| 6283 | 417 | 1532 | 907 | 835 | 4560 | 4 | 0.00 | 1 | 16 |
| 6283 | 427 | 1600 | 907 | 835 | 4560 | 6 | 0.00 | 1 | 22 |
| 6301 | 404 | 1823 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 24 |
| 6334 | 409 | 754 | 907 | 835 | 4560 | 2 | 0.00 | 1 | 22 |
| 6334 | 411 | 1531 | 907 | 835 | 4560 | 5 | 0.00 | 1 | 16 |
| 6334 | 413 | 1357 | 907 | 835 | 4560 | 5 | 0.00 | 1 | 7 |
| 6404 | 429 | 210[illegible] | 907 | 835 | 4560 | 3 | 0.00 | 3 | 1 |
| 6422 | 417 | 1630 | 907 | 835 | 4560 | 8 | 0.00 | 1 | 21 |
| 6452 | 404 | 1257 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 22 |
| 6477 | 414 | 1153 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 7 |
| 6480 | 418 | 1310 | 907 | 835 | 4560 | 4 | 0.00 | 1 | 7 |
| 6480 | 420 | 1507 | 907 | 835 | 4560 | 5 | 0.00 | 1 | 24 |
| 6511 | 412 | 1427 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 21 |
| 6526 | 425 | 823 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 24 |
| 6531 | 425 | 1434 | 907 | 835 | 4560 | 5 | 0.00 | 1 | 21 |
| 6560 | 410 | 1052 | 907 | 835 | 4560 | 5 | 0.00 | 1 | 21 |

[redacted] VALDEZ POLICE & FIRE [redacted]

G18

F2R412286

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 6591 | 411 | 1849 | 907 | 835 | 4560 | | 9 | 0.00 | 1 | 21 |
| TOTALS | | FOR | 29 CALLS | | | | 119 | 0.00 | | |

G19

F2R412287

ALYESKA PIPELINE VALDEZ 05-15-1990 13:34

AREA CODE, EXCHANGE & NUMBER 907 835 4560

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6054 | 306 | 1644 | 907 | 835 | 4560 | 9 | 0.00 | 1 | 13 |
| 6200 | 307 | 1444 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 11 |
| 6200 | 309 | 704 | 907 | 835 | 4560 | 5 | 0.00 | 1 | 11 |
| 6200 | 309 | 1406 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 11 |
| 6200 | 313 | 717 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 14 |
| 6200 | 322 | 1053 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 12 |
| 6200 | 323 | 721 | 907 | 835 | 4560 | 4 | 0.00 | 1 | 11 |
| 6200 | 323 | 1349 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 11 |
| 6200 | 326 | 709 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 11 |
| 6200 | 326 | 1058 | 907 | 835 | 4560 | 4 | 0.00 | 1 | 11 |
| 6200 | 327 | 723 | 907 | 835 | 4560 | 4 | 0.00 | 1 | 11 |
| 6218 | 305 | 1747 | 907 | 835 | 4560 | 5 | 0.00 | 1 | 21 |
| 6218 | 306 | 2137 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 7 |
| 6218 | 315 | 2028 | 907 | 835 | 4560 | 2 | 0.00 | 1 | 16 |
| 6242 | 320 | 2019 | 907 | 835 | 4560 | 9 | 0.00 | 1 | 7 |
| 6245 | 329 | 1434 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 21 |
| 6279 | 305 | 1446 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 7 |
| 6279 | 306 | 1448 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 22 |
| 6279 | 306 | 1451 | 907 | 835 | 4560 | 4 | 0.00 | 1 | 22 |
| 6279 | 308 | 924 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 21 |
| 6283 | 315 | 1531 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 7 |
| 6308 | 301 | 2001 | 907 | 835 | 4560 | 7 | 0.00 | 1 | 7 |
| 6367 | 313 | 1624 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 17 |
| 6436 | 305 | 1424 | 907 | 835 | 4560 | 9 | 0.00 | 1 | 7 |
| 6444 | 314 | 1428 | 907 | 835 | 4560 | 9 | 0.00 | 1 | 7 |
| 6444 | 317 | 1416 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 7 |
| 6480 | 325 | 59 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 7 |

VALDEZ POLICE DEPT

FM

F2R412288

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 6502 | 305 | 1520 | 907 | 835 | 4560 | 4 | 0.00 | 1 | 22 |
| 6560 | 305 | 936 | 907 | 835 | 4560 | 8 | 0.00 | 1 | 7 |
| 6560 | 316 | 1415 | 907 | 835 | 4560 | 6 | 0.00 | 1 | 7 |
| 6568 | 327 | 916 | 907 | 835 | 4560 | 5 | 0.00 | 1 | 21 |
| 6568 | 327 | 918 | 907 | 835 | 4560 | 9 | 0.00 | 1 | 7 |
| 6568 | 329 | 1327 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 7 |
| 6579 | 306 | 1256 | 907 | 835 | 4560 | 7 | 0.00 | 1 | 21 |
| 6579 | 313 | 1617 | 907 | 835 | 4560 | 3 | 0.00 | 1 | 16 |
| TOTALS | FOR | 36 | CALLS | | | 164 | 0.00 | | |

F18

F2R412289

ALYESKA PIPELINE ANCHORAGE 05-11-1990 10:04

AREA CODE, EXCHANGE & NUMBER 907 257 4312

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 3545 | 212 | 1614 | 907 | 257 | 4312 | 10 | 0.00 | 1 | 13 |
| 8201 | 207 | 1040 | 907 | 257 | 4312 | 60 | 0.00 | 1 | 2 |
| 8201 | 215 | 1520 | 907 | 257 | 4312 | 64 | 0.00 | 1 | 11 |
| 8312 | 209 | 1416 | 907 | 257 | 4312 | 6 | 0.00 | 1 | 18 |
| 8312 | 209 | 1543 | 907 | 257 | 4312 | 5 | 0.00 | 1 | 7 |
| 8312 | 226 | 1530 | 907 | 257 | 4312 | 37 | 0.00 | 1 | 24 |
| 8312 | 228 | 1117 | 907 | 257 | 4312 | 10 | 0.00 | 1 | 10 |
| 8313 | 216 | 1512 | 907 | 257 | 4312 | 3 | 0.00 | 1 | 9 |
| 8313 | 216 | 1553 | 907 | 257 | 4312 | 7 | 0.00 | 1 | 12 |
| 8970 | 212 | 1504 | 907 | 257 | 4312 | 5 | 0.00 | 1 | 16 |
| 8970 | 214 | 1553 | 907 | 257 | 4312 | 5 | 0.00 | 1 | 3 |
| 8970 | 214 | 1630 | 907 | 257 | 4312 | 9 | 0.00 | 1 | 4 |
| 8970 | 215 | 1537 | 907 | 257 | 4312 | 10 | 0.00 | 1 | 4 |
| 8970 | 226 | 1514 | 907 | 257 | 4312 | 4 | 0.00 | 1 | 10 |
| TOTALS | FOR | 14 CALLS | | | | 235 | 0.00 | | |

3545 - [redacted]
8201 - William D. Howitt
8312 - Margaret H. [redacted]
8313 - Beverly J. Michaels-Dubik
8970 - [redacted]. Jurkowich

[redacted]

NEWSROOM - DAILY NEWS

[redacted]

62

F2R412290

ALYESKA PIPELINE ANCHORAGE 05-07-1999 11:10
AREA CODE, EXCHANGE & NUMBER 907 465 3600

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 8970 | 425 | 1550 | 907 | 465 | 3600 | 4 | 2.41 | 1 | 12 |

TOTALS FOR 1 CALLS 4 2.41

GEORGE J. JURKOWITZ

STATE OF ALASKA

F2R412291

ALYESKA PIPELINE ANCHORAGE 05-10-1990 15:14
AREA CODE, EXCHANGE & NUMBER 907 835 4313

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 8225 | 205 | 1517 | 907 | 835 | 4313 | 3 | 0.00 | 7 | 1 |
| 8371 | 201 | 1111 | 907 | 835 | 4313 | 4 | 0.00 | 3 | 8 |
| 8879 | 220 | 1133 | 907 | 835 | 4313 | 4 | 0.00 | 7 | 2 |
| TOTALS | FOR | 3 CALLS | | | | 11 | 0.00 | | |

8225 Elden R. Johnson
8371 Mark J. Brinster
8879 Mark I Hutton

[redacted]
VALDEZ CITY HALL
[redacted]

F2R412292

ALYESKA PIPELINE VALDEZ 05-16-1990 14:49

AREA CODE, EXCHANGE & NUMBER 907 835 4313

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6016 | 212 | 1607 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 21 |
| 6026 | 201 | 913 | 907 | 835 | 4313 | 8 | 0.00 | 1 | 11 |
| 6026 | 212 | 1544 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 11 |
| 6026 | 215 | 1638 | 907 | 835 | 4313 | 11 | 0.00 | 1 | 11 |
| 6039 | 205 | 843 | 907 | 835 | 4313 | 5 | 0.00 | 1 | 11 |
| 6039 | 207 | 832 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 11 |
| 6074 | 209 | 1449 | 907 | 835 | 4313 | 9 | 0.00 | 1 | 12 |
| 6074 | 209 | 1458 | 907 | 835 | 4313 | 5 | 0.00 | 1 | 12 |
| 6074 | 209 | 1523 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 11 |
| 6074 | 209 | 1534 | 907 | 835 | 4313 | 6 | 0.00 | 1 | 11 |
| 6213 | 223 | 1314 | 907 | 835 | 4313 | 14 | 0.00 | 1 | 13 |
| 6217 | 228 | 1324 | 907 | 835 | 4313 | 18 | 0.00 | 1 | 24 |
| 6228 | 227 | 845 | 907 | 835 | 4313 | 8 | 0.00 | 1 | 22 |
| 6241 | 214 | 1326 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 21 |
| 6254 | 214 | 841 | 907 | 835 | 4313 | 6 | 0.00 | 1 | 17 |
| 6308 | 314 | 1009 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 12 |
| 6345 | 315 | 1345 | 907 | 835 | 4313 | 13 | 0.00 | 1 | 7 |
| 6345 | 316 | 939 | 907 | 835 | 4313 | 6 | 0.00 | 1 | 24 |
| 6345 | 319 | 1026 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 22 |
| 6345 | 319 | 1056 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 18 |
| 6345 | 319 | 1544 | 907 | 835 | 4313 | 8 | 0.00 | 1 | 7 |
| 6351 | 327 | 649 | 907 | 835 | 4313 | 5 | 0.00 | 1 | 11 |
| 6352 | 323 | 1146 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 11 |
| 6372 | 314 | 1316 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 21 |
| 6432 | 328 | 1641 | 907 | 835 | 4313 | 5 | 0.00 | 1 | 12 |
| 6432 | 330 | 1555 | 907 | 835 | 4313 | 5 | 0.00 | 1 | 7 |
| 6452 | 303 | 1108 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 21 |
| 6481 | 316 | 1501 | 907 | 835 | 4313 | 11 | 0.00 | 1 | 7 |
| 6520 | 320 | 900 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 1 |

[redacted]

VALDEZ CITY HALL

D24

F2R412293

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 6548 | 316 | 1034 | 907 | 835 | 4313 | 9 | 0.00 | 1 | 7 |
| 6550 | 319 | 903 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 18 |
| 6553 | 321 | 1152 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 18 |
| 6560 | 301 | 1329 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 7 |
| 6560 | 305 | 935 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 22 |
| 6560 | 316 | 1019 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 17 |
| 6560 | 328 | 1033 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 22 |
| 6568 | 301 | 929 | 907 | 835 | 4313 | 7 | 0.00 | 1 | 22 |
| 6581 | 322 | 1138 | 907 | 835 | 4313 | 19 | 0.00 | 1 | 11 |
| 6589 | 322 | 852 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 11 |
| 6589 | 322 | 1036 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 11 |
| TOTALS | | FOR | 40 CALLS | | | 245 | 0.00 | | |

D15

F2R412294

ALYESKA PIPELINE VALDEZ 05-15-1990 13:25

AREA CODE, EXCHANGE & NUMBER 907 835 4313

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 6012 | 311 | 908 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 11 |
| 6016 | 327 | 1106 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 24 |
| 6026 | 305 | 1055 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 12 |
| 6026 | 309 | 1048 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 11 |
| 6037 | 328 | 1544 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 21 |
| 6074 | 327 | 952 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 11 |
| 6076 | 309 | 954 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 21 |
| 6093 | 316 | 1111 | 907 | 835 | 4313 | 5 | 0.00 | 1 | 11 |
| 6213 | 330 | 1422 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 21 |
| 6228 | 305 | 1610 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 24 |
| 6242 | 321 | 950 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 7 |
| 6245 | 330 | 1607 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 17 |
| 6254 | 311 | 1500 | 907 | 835 | 4313 | 8 | 0.00 | 1 | 7 |
| 6272 | 319 | 1004 | 907 | 835 | 4313 | 8 | 0.00 | 1 | 11 |
| 6284 | 315 | 942 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 22 |
| 6308 | 314 | 1009 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 12 |
| 6345 | 315 | 1345 | 907 | 835 | 4313 | 13 | 0.00 | 1 | 7 |
| 6345 | 316 | 939 | 907 | 835 | 4313 | 6 | 0.00 | 1 | 24 |
| 6345 | 319 | 1026 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 22 |
| 6345 | 319 | 1056 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 18 |
| 6345 | 319 | 1544 | 907 | 835 | 4313 | 8 | 0.00 | 1 | 7 |
| 6351 | 327 | 649 | 907 | 835 | 4313 | 5 | 0.00 | 1 | 11 |
| 6352 | 323 | 1146 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 11 |
| 6372 | 314 | 1316 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 21 |
| 6432 | 328 | 1641 | 907 | 835 | 4313 | 5 | 0.00 | 1 | 12 |
| 6432 | 330 | 1555 | 907 | 835 | 4313 | 5 | 0.00 | 1 | [illegible] |
| 6452 | 303 | 1108 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 21 |

[redacted]

VALDEZ CITY HALL

F2R412295

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 6520 | 320 | 900 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 16 |
| 6548 | 316 | 1634 | 907 | 835 | 4313 | 9 | 0.00 | 1 | 7 |
| 6550 | 319 | 903 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 18 |
| 6553 | 321 | 1152 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 18 |
| 6560 | 301 | 1329 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 7 |
| 6560 | 305 | 935 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 22 |
| 6560 | 316 | 1019 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 17 |
| 6560 | 328 | 1033 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 22 |
| 6568 | 301 | 929 | 907 | 835 | 4313 | 7 | 0.00 | 1 | 22 |
| 6581 | 322 | 1138 | 907 | 835 | 4313 | 19 | 0.00 | 1 | 11 |
| 6589 | 322 | 852 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 11 |
| 6589 | 322 | 1036 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 11 |
| TOTALS | FOR | 40 CALLS | | | | 199 | 0.00 | | |

F2R412296

ALYESKA PIPELINE ANCHORAGE 05-07-1990 13:07
AREA CODE, EXCHANGE & NUMBER 907 835 4313

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 8544 | 402 | 1645 | 907 | 835 | 4313 | 9 | 0.00 | 7 | 1 |
| 8745 | 410 | 1413 | 907 | 835 | 4313 | 12 | 0.00 | 7 | 2 |
| 8745 | 411 | 1136 | 907 | 835 | 4313 | 4 | 0.00 | 3 | 10 |
| 8745 | 423 | 1109 | 907 | 835 | 4313 | 3 | 0.00 | 3 | 15 |
| 8775 | 410 | 925 | 907 | 835 | 4313 | 5 | 0.00 | 3 | 4 |
| TOTALS | FOR | 5 CALLS | | | | 33 | 0.00 | | |

8544 MICHAEL F.G. WILLIAMS
8745 GEORGE P. KASPAREK
8775 JAMES K. MATHER

VALDEZ CITY HALL

F2R412297

ALYESKA PIPELINE ANCHORAGE 05-07-1990 13:14
AREA CODE, EXCHANGE & NUMBER 907 835 4560

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 8147 | 410 | 1146 | 907 | 835 | 4560 | 22 | 0.00 | 7 | 2 |

TOTALS FOR 1 CALLS 22 0.00

8147 RONA S. HACKETT/
MARTHA PREUS-KLARMAN

[redacted]

VALDEZ POLICE & FIRE

[redacted]

F2R412298

ALYESKA PIPELINE VALDEZ 05-14-1990 13:46

AREA CODE, EXCHANGE & NUMBER 907 835 4313

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 823 | 426 | 1628 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 12 |
| 6012 | 406 | 1057 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 11 |
| 6030 | 416 | 1329 | 907 | 835 | 4313 | 5 | 0.00 | 1 | 11 |
| 6039 | 412 | 902 | 907 | 835 | 4313 | 5 | 0.00 | 1 | 11 |
| 6039 | 416 | 1126 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 12 |
| 6074 | 426 | 1427 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 11 |
| 6074 | 430 | 917 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 11 |
| 6211 | 413 | 1110 | 907 | 835 | 4313 | 18 | 0.00 | 1 | 7 |
| 6213 | 402 | 1045 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 7 |
| 6213 | 424 | 1039 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 21 |
| 6217 | 412 | 1048 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 21 |
| 6245 | 425 | 1117 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 21 |
| 6245 | 426 | 1129 | 907 | 835 | 4313 | 7 | 0.00 | 1 | 7 |
| 6250 | 412 | 1305 | 907 | 835 | 4313 | 5 | 0.00 | 1 | 11 |
| 6272 | 417 | 827 | 907 | 835 | 4313 | 2 | 0.00 | 1 | 24 |
| 6272 | 423 | 1003 | 907 | 835 | 4313 | 11 | 0.00 | 1 | 24 |
| 6272 | 423 | 1014 | 907 | 835 | 4313 | 5 | 0.00 | 1 | 24 |
| 6272 | 423 | 1303 | 907 | 835 | 4313 | 5 | 0.00 | 1 | 21 |
| 6272 | 423 | 1542 | 907 | 835 | 4313 | 5 | 0.00 | 1 | 22 |
| 6282 | 425 | 1021 | 907 | 835 | 4313 | 9 | 0.00 | 1 | 21 |
| 6283 | 405 | 1115 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 22 |
| 6284 | 412 | 1021 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 16 |
| 6295 | 427 | 1352 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 13 |
| 6345 | 406 | 1323 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 21 |
| 6345 | 420 | 958 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 7 |
| 6351 | 413 | 1110 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 11 |
| 6414 | 409 | 1650 | 907 | 835 | 4313 | 7 | 0.00 | 1 | 11 |
| 6414 | 424 | 1039 | 907 | 835 | 4313 | 6 | 0.00 | 1 | 24 |

[redacted] VALDEZ CITY HALL [redacted]

F2R412299

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 6422 | 430 | 1150 | 907 | 835 | 4313 | 8 | 0.00 | 1 | 21 |
| 6488 | 412 | 1038 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 21 |
| 6488 | 412 | 1440 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 7 |
| 6496 | 425 | 1014 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 22 |
| 6531 | 430 | 1418 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 7 |
| 6550 | 430 | 1334 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 16 |
| 6560 | 412 | 1021 | 907 | 835 | 4313 | 6 | 0.00 | 1 | 24 |
| 6560 | 413 | 1047 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 7 |
| 6568 | 404 | 1334 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 16 |
| 6568 | 424 | 1505 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 7 |
| 6568 | 425 | 1119 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 22 |
| 6568 | 425 | 1646 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 24 |
| 6570 | 430 | 844 | 907 | 835 | 4313 | 4 | 0.00 | 1 | 7 |
| 6570 | 430 | 947 | 907 | 835 | 4313 | 3 | 0.00 | 1 | 21 |
| 6581 | 411 | 1636 | 907 | 835 | 4313 | 17 | 0.00 | 1 | 11 |
| TOTALS | | FOR | 43 | CALLS | | 210 | 0.00 | | |

823 -
6012 -
6030 -
6039. VALORIE F. BUTLER
6074 KEVIN D. ARNOTT
JOE B. COSPER
STEVEN F. HANSON
EDWARD KOZLOWSKI
LARRY A. MCPHERSON
KEENAN E. REMELE
6211 BILL CONLEY
6213
6217 ALBRIGHT, ALLEN D.
6245
6250
6272 JERRY W. BARNES
SUSAN A. BRITT

621

ELLIS D. FALL
EDMUND L. FLYNN JR
GLENN S. HILL

ROBERT F. KELLA
BENJAMIN R. KLIN
BILLIE MARIE PRA
WILLIAM L. SCHWEL

F2R412300

Sag . Anchorage

ALYESKA PIPELINE ANCHORAGE 05-11-1990 13:49

AREA CODE, EXCHANGE & NUMBER 907 465 3600

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 3585 | 130 | 903 | 907 | 465 | 3600 | 5 | 3.01 | 1 | 5 |

TOTALS FOR 1 CALLS 5 3.01

STATE OF ALASKA

BP

F2R412301

MTKLH

ALYESKA PIPELINE ANCHORAGE 05-08-1990 11:12
AREA CODE, EXCHANGE & NUMBER 907 465 3600

| EXT | DATE | TIME | AC | EXC | TEL | DUR | COST | RT | MEM |
|---|---|---|---|---|---|---|---|---|---|
| 3221 | 308 | 1039 | 907 | 465 | 3600 | 26 | 15.61 | 1 | 14 |
| TOTALS | FOR | 1 CALLS | | | | 26 | 15.61 | | |

3221 ~~JACQUELINE A. BLOOM (465-3221)~~
ALFRED T. SMITH

VERB VALDEZ EMERGENCY RESPONSE BOATS

STATE OF ALASKA

E

F2R412902

Feb - Anch

From 380094 --ALYVM1 Date and Time 05/18/90 16:17:27
To 540000 --ALYVM1 Truax, M. S.

From Roger P. Iversen ext. 8363, M.S. 540-s,
Profs Number 380094
Subject NEED ADD'L INFO IDED

NEED HOLDERS OF THE FOLLOWING TELEPHONE NUMBERS HERE IN ANCHORAGE.
THESE NUMBERS WERE NOT IN PROFS LOOK SYSTEM

3545 3202 3559 8586 8587 8600 8931.

THANKS. PLEASE ADVISE.

Dpi/Security/Anchorage

3545 M.G. Williams
3202 General Services Contractor
3559 S. M. Flores
8586 Legal Fax Machine
8587 File Room - legal
8600 Executive Conf. Room
8931 Robyn Miller

F2R412903

8076 William M. Nelson IV
~~8113 Gary B. Simmons~~
8161 Daniel J. Wilkins
8199 J. David Norton
8142 Carl R. Rutz
8202
8284 Rhonda L. Horne
8411 James W. Sweeney
8439 Richard L. Hilldebran
8440 Christopher M. Cianotti
8600
8698 Eckart H. Haas
8829 William O. Hase
Richard S. Noll
8875 Nicholas Mitchell
8879 Mark J. Hutton
8941 James A. Odom
8979 Thomas A. Casey

3221 - Alfred T. Smith
8142 - Carl R. Ruby
8275 Debra K. Hall
8312 Margaret H. Shearer
8451 Michael J. Kiernicki
8461 Thomas C. Heber
8505 Emory D. Ayers, Kimberly L. Peterson
8572 James Hill (AGA1)
8628 Robert (Mark) Olverson
8754 Joan C. High
8765 Sheri M. Lemire
8804 Mary Barbara DeMatteo
8871 Margaret S. Adkins, Andra J. Langhein (Linda M. Powell (C[redacted] W/Mark Brinster Co)
8879 Mark I Hutton
8891 Paul M. Richards
8919 Bruce R. Wilson
8931
8993 Kimberly S. Cannette

From 380005 --ALYVM1 Date and time 05/16/90 17:37:06
To 540000 --ALYVM1 Trax, M. J.

From Roger B. Iversen ext. 8363, M.S. 540-5
Route Number 380005
Job ref: MORE PHONE NUMBERS NEED TO BE

6016 6033 6222 6254 6308 6360 6372 6412 6432 6436 6441
6444 6482 6548 6553 6589

NONE OF ABOVE ARE LISTED IN VILP BUT ARE ACTIVE.

BPI Seguret Anchorage

6016 - Price Purchasing
6033 - Thorpe Lech.
6222 - Pat Kmil
6254 - Ballast water plant
6308 - P.H. Lead Tech.
6360 - Marine Lead tech.
6372 P.V. Enumerator
6412 Berth 1 BOC
6432 Berth 3 BOC
6436 Valve Shop
6441 B-4 PDC office
6444 Security Radio
6482 OCC Term. Console
6548 Seada Shop OCC
6553 Seada Projects
6589 Houston- Mc Hale

| | | |
|---|---|---|
| 6016 | | |
| 6026 | Joseph Cleaveman | |
| | Walter D. Glover | |
| | Pearcy W. Haven | |
| 6039 | Valerie F. Butler | |
| 6074 | Kevin D. Arnett | Cathy A. McPherson |
| | Joe D. Cooper | Keenan E. Reveles |
| | Steven F. Hanson | |
| | Edward Koglowski | |
| 6213 | | |
| 6217 | Allen D. Albright | |
| 6228 | Robert C. Rountree | |
| 6241 | Michael R. Britt | Joseph C. Stewart |
| | Richard L. Chaffin | Jean Trantham |
| | Andrew S. Day | Walter A. Wamsley |
| | John E. Helpendorf | |
| 6254 | | |
| 6308 | | |
| 6345 | Marcus I Craddock | |
| 6351 | | |
| 6352 | Joanna M. Norton | |
| 6372 | | |
| 6432 | | |
| 6452 | | |
| 6481 | | |
| 6520 | Valencia A. Hiebert | |
| 6548 | | |
| 6550 | Gary H. Minish | |

6553
6560 Prior listed (Ernie G. Randolph + others + 11)
6568 Prior listed (Barry M. Kennedy + others (7)
6581 Prior listed (Spencer W. Rand + others (7)
6589

6015
6033
6047
6059
6076
6222
6276
6442
6480
6533 Kendall Daughdrill + Ruth Marie McElrath
6581 Prior listed (Stuart W Spencer W. Bens + 7 others)
6582 " " " " Felix A. Benson + 29 others)
6702 Larry A. Merchant + Fred McKenzie Jr.
6703

6039 Valerie F. Butler
6218 Carmin T. Gadaleski Miles E. Shell
Leonard J. Sears all #641
6242 Prior listed (Stat Donald C. Chesebro + 7 others)
6276
6283 Prior listed (Stat Frances A. Kent + 4 others)
6308
6367
6436
6444
6480
6502 Douglas L. Shattuck
6560 Prior listed stat Ernie A. Brandolini + 11 others)
6568 " " " Barry M. Kennedy + 7 others)
6579 Earl D. Ash John A. Ehrmann
Edwin E. Atteberry Bruce C. Wilkins

| | | |
|---|---|---|
| 6308 | | |
| 6412 | | |
| 6422 | Charles F. O'Donnell | |
| 6432 | | |
| 6441 | | |
| 6442 | | |
| 6477 | Raymond E. Everett Jr. | |
| 6481 | | |
| 6482 | | |
| 6531 | Rex K. Brown | |
| 6591 | John D. Baldridge | Robert D. Potter |
| | Phillip T. Kaegarek | |
| | David R. Lawrence | |

| | |
|---|---|
| 3281 | MELVIN D. JESSEE |
| 8104 | WILLIAM C. WALKER |
| 8142 | CARL R. RUTZ |
| 8179 | DAVID J. NORTON |
| 8284 | RHONDA L. HORN |
| 8411 | JAMES W. SWEENEY |
| 8437 | RICHARD L. MIKKELSEN |
| 8678 | OSCAR E. DICKASON |
| 8698 | ECKART H. HAAS |
| 8799 | SPENCE L. HOCHSTEIN |
| 8826 | ROBERT N. LUND |
| 8829 | WILLIAM D. MACE / RICHARD S. NOLL |
| 8979 | THOMAS A. CASEY |
| 8981 | INGRID M. GADPAILLE |

3585 LAWRENCE R. TROTTER
8076 WILLIAM M. HUDSON III
8207 CONNIE L. SPURGEON
8297 GREGORY C. COOKE
8312 MARGARET H. ISAACS
8314 MARY ANN NELSON
8372 GAYE V. HUNT
8451 MICHAEL J. KAMINSKI
8505 EMORY D. AYERS
8565 ROBERT I SHOAF
8643 THOMAS J. ALLEN
8728 JOHN HOBSON
8754 JOAN C. NIGH
8841 PAXTON J. SULLIVAN
(8968) CAROL JOHNS

925 P.S. #1
928 P.S. #1
929 P.S. #1
992 VERB

From: 380006 --ALYVM1 Date and time 05/21/90 14:02:30
To: 540000 --ALYVM1 Truax, M. S.

From: Roger D. Iversen ext. 8363, M.S. 540-s,
Prof. Number 380006
Subject: REQUEST FOR ID ON NUMBERS

MARIA, GOT PHONE IDS ON FIRST TWO REQUESTS, THANKS. I ALSO NEED ASAP
THE IDS REQUEST ON 5-18 AT 17:37:06, A TOTAL OF 16 NUMBERS AND THE
FOLLOWING IDS:

925 928 929 992 6054 6078 6093 6236 6367 AND 6509.

THIS WILL COMPLETE THE CURRENT PHONE ID CHECK..THANKS.

FBI/Security/Anchorage

925 - PS#1
928 - PS#1
929 - PS#1
992 - VERBS
6054 MK Contractor
6078 PAT KIMC FAX
6093 Huston Contracting
6236 GAIL BOWEN
6367 marine dept lead tech
6509 OCC FAX Machine

6589 –

6012 - Huston Contracting
6016
6026 Joseph Cheeseman, Walter D. Glover, Pearey W. Hanes (Ocean Tech.)
6037 Martin D. Hadson
6074 Kevin D. Arnett, Joe D. Cooper, Steven F. Hans, Edward Kozlowski, Cathy A. McPherson, Keone Kemele.
6076 MK Purchasing
6093
6213 Breakroom Manic Warehouse
6228 Robert C. Countree
6242 Listed prior Donald C. Chambers + 6 others
6245 Maintenance Tool Crib
6254
6272 Listed prior Jerry W. Barnes + 11 others
6284 Lyle J. Von Bargen
6308
6345 Marcus C. Craddock
6351 H.C. Price Warehouse
6352 Joanna M. Norton
6372
6432
6452 Berth 5 BOC
6481 OCC Terminal Controller
6520 Valencia A. Hiebert
6548
6550 Gary K. Minish
6553
6560 listed prior Ernie G. Bandobin + 11 others
6568 listed prior Barry M. Kennedy + 7 others
6581 " " Spencer W. Burns + 7 others
(all Hawaiian Contracting)

6015 - Houston Contracting
6016
6047 - Houston Contracting
6059 " "
6076 MK Purchasing
6091 David W. Blackmon
6209 Betty McElrath
6442 Berth & BOC
6480 Security office
6533 Kimball Daughdrill Ruth Marie McElrath
6581 Listed pair Spencer W. Bass + others (Houston Contracting)
6582 Listed H Houston Contracting Co.
Start v Benson, Julian + 29 others
6702 Larry Merchant + Fred McKenzie Jr.
6703 Sam Upton

6054
6200 - Security - VDZ
6218 " "
6242 listed prior - Start w/ Donald C. Chambers + 7 others
6245 Maintenance Tool Crib
6279 Ed Kinkl (Security)
6283 listed prior Start w/ Frances A. Kent + 4 others
6308
6367
6436
6444
6480 Security
6502 Douglas L. Shattuck
6560 listed prior: Start w/ Ernie G. Bandolin + others
6568 " " Start w/ Barry M. Kennedy + others
6579 Earl D. Ash
Edwin E. Atteberry
John A. Ehrmann
Bruce L. Williams

6308 -
6412 -
6422 - Charles F. O'Donnell
6432
6441
6442 Smith & Boc
6477 Raymond E. Everett Jr.
6481 OCC Terminal Contractor
6482
6531 ~~Kenneth Brown~~ Robert E. Colon H.C. Price
6591 Joint Prior Stat w/ John D. Baldridge + Philip T. Kingsolver, David R. Lawrence and Robert O. Peters

925
928
929
992
6091 David W. Blasingame (Jefferson Co.)
6236
6283 listed prin: Stott w/ Frances A. Kent + others
6473 Gail J. Bowen
6531 Roy K. Brown
6533 Kendall Daughdrill + Ruth Marie McElreath

April Valley

From 380006 --ALYVM1 Date and time 05/18/90 15:08:20
To 540000 --ALYVM1 Truax, M. S.

From Roger D. Iversen ext. 8363, M.S. 540-s,
Profs Number 380006
Sub ect USED ID OF TELEPHONE NUMBERS
NEED BY MONDAY PM IF AT ALL POSSIBLE (IS IMPORTANT)
[illegible] 6011 6012 6015 6030 6047 6057 6076 6080
[illegible] 6209 6213 6245 6250 6276 6316 6334 6351 6414 6442 6452
6456 6481 6495 6496 6509 6570 6701 6703 6780 6781 6795

PLEASE ADVISE. THANKS. FYI NONE OF THESE IN LOOK SYSTEM AND I HAVE LIST OF NUMBERS THAT THESE TELEPHONES HAVE MADE.

ESI Security Anchorage

806 - Verbs - Valley
823 - PS#10
976 - PS#4
991 - Verbs - Valley
6011 } Huston Contracting
6012 }
6015
6030 Projects - VDZ
6047 } Huston Contracting
6057 }
6076 MK Purchasing
6080 Alaska Oil Spill
6092 Huston contracting
6209 Betty McElrath
6213 Breakroom - VDZ
6245 Maintenance Tool Crib
6250 PDC 6 East Helitac
6276 Security Main Gate
6316 OCC Valley
6334 Federal/State offices
6351 NC Price Warehouse
6414 VDZ Warehouse
6442 } Earth Y Boc
6452 }

6480 - Security office
6481 - OCC Terminal Controller
6495 - NC Price
6496 Security Garage
6509 OCC Fax Machine
6570 Machine Shop - VDZ
6701 Yukon Engineers
6703 Sam Upton

From: 544008 --ALYVM1 Date and time 05/21/90 09:46:29
To: 380006 --ALYVM1

From Robert B. Fitch
SCADA
[illegible]
Subject: TELEPHONE NUMBER ID
REFERENCE YOUR REQUEST
The following numbers are in Anchorage Bragaw Switch
3515 [illegible]
9202 General Gen. Gas Contractor
9559 J.M. Flores
[illegible] Legal Fax machine
[illegible] F.I. Room Legal
9600 Executive Confrence Room
9931 Robyn Miller

The following numbers are trunk numbers
906 VERBS Valdez
923 Pump Station 10
976 Pump Station 4
991 VERBS Valdez

The following numbers are from Valdez Switch
6011 Huston Contracting
6012 Huston Contracting
6015 Huston Contracting
6030 Projects Office Valdez
6047 Huston Contracting
6057 Huston Contracting
6076 MK Purchasing
6080 Marine Oil Spill
6092 Huston Contracting
6209 Betty Melrath
6213 Breakroom Marine Warehouse
6245 Maintenance tool crib
6250 PDC 6 East Meters
6276 Security Main Gate
6316 OCC Valdez
6334 Federal State Office
6351 HC Price warehouse
6414 Valdez Warehouse
6442 Berth 4 BOC
6452 Berth 5 BOC
6480 Security Office
6481 OCC Terminal Controller
6495 HC Price
6496 SCADA Garage
6509 OCC FAX Machine
6570 Machine Shop (Maintenance)
6701 Jelco Engineer
6703 Sam Upton

cc: 480035 --ALYVM1 B.J. COLE

| | | |
|---|---|---|
| 806 - | | |
| 991 - | | |
| 6012 - | | |
| 6015 - | | |
| 6047 - | | |
| 6059 - | | |
| 6076 - | | |
| 6092 - | | |
| 6209 - | | |
| 6238 - | CHARLES T. BROWN | KATHIE S. WHITE |
| | TRAN (SALLY) LE CHONG | MARIE E. ZSOPANK |
| | JULIE ANN GABLE | |
| | LARRY R. PARKER | |
| | SUSAN J. SMITH | |
| 6283 | FRANCES A. KNOT | CARRIE L. SMITH |
| | ELIZABETH M. McINTOSH | BETTY L. STARBUCK |
| | KIM E. PARK | |
| 6495 | | |
| 6535 | KENDALL DAUGHDRILL | |
| | RUTH MARIE McELRATH | |
| 6560 | ERNIE G. BANDOLIN | KENNETH L. KIRKLAND |
| | LARRY D. BOCKNUM | JOHN C. LIBERTY JR. |
| | DONALD P. CHASE | BRIAN N. MAJOR |
| | PHILIP L. DOHERTY | WILLIAM G. McDONALD |
| | DRYDEN F. McINTOSH | LEE R. STRICKLAND |
| | JAMES L. PATTERSON | |
| 6581 | SPENCER W. BELL | DONALD J. HOWARD |
| | RICK C. CURTIS | BOBBY C. SURGLEY |
| | LAURI A. GARCIA | NOEL S. LAMOTHE |
| | PAUL M. MYERS | KENNETH J. SUTHERLAND |

(Haugen Contracting Co.)

| | | |
|---|---|---|
| 6582 | JULIA M. BENSON | BRUCE M. JONES |
| | GLENN A. BOOTH | JOHN F. KIRKGASLER |
| | RONALD C. BYRNE | HERMAN KROEMER |
| | PEGGIE M. COATS | BEN H. KUSCHE |
| | JAMES N. COATS | LLOYD E. LABARBE |
| | DAVID A. COPELAND | PATRICK J. MCANDREW |
| | DALE D. DECKETTJE | RICKY P. MCCAIN |
| | RONALD W. GIBSON | JOHNNY L. MAUDLIN JR. |
| | JAMES P. GJODDE | MERLE U. MUDER |
| | FRANK W. JACKSON | JAMES L. PETROVICH |
| | ROBERT J. POIRIER | DONALD A. TAYLOR |
| | WAYNE C. RISTIG | TERRI M. THOMAS |
| | ARTHUR C. STITES | DAVID B. VINCENT |
| | TIMOTHY E. STRICKLAND | DANNY T. WATKINS |
| | MARK A. TALBERT | RAYMOND C. WILLIAMS |
| 6583 | MARK BUDAI | |
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6015 -
6076
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6200 AGAI GUARDS TELEPHONE
62H BILL COWLEY
6238 LISTED PRIOR RE LUNNIE BROWN + 6 OTHERS
6276
6283 LISTED PRIOR RE FRANCES KENT + 5 OTHERS
6301 THOMAS A ARCHER
MARK E. DAHL
GARY L. GOULD
STEPHEN JAMES GOODREAU
KIM A. HARTMAN
WILLIAM D. HOBBACK
JEFFREY L. KELLY
DAVID R. WELLS
RICHARD L. WHITE
ROBERT PROSTON
BRUCE F. RITCHEY
MICHAEL J. ROGERS
JERRY R. SMITH
BILL L. TRAVER
RICHARD L. WALLACE
MICHAEL C. WALLER
ROBERT E. WILLIAMS
6334
6404 RANDY L. ALCORN
THOMAS L. ANKENBRANDT
ROBERT A. BANDY
HARRY D. BARNUM III
DARWIN D. BORRIE
ROBERT C. DENNIS
DONALD E. DICKENSON
FRANK E. ESTES
PAUL W. FRANK
JOHN K. GILSON
LAWRENCE A. HODGES
ROGER HOLMES
DENNIS J. MCKLANE
JOHN F. MELUNE
LAWRENCE F. MCINTOSH
GENE L. MENDES
MARJORIE J. NYGAARD
LAWRENCE D. OBERLIN
BRUCE S. PAINTER
JOHN E. PERRY
MIKE D. REYNOLDS
GARY F. RUFF

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| 6464 (CONT.) | JAMES J. SHEPARD | MARK G. WRIGHT |
| | WILLIAM F. SMITH | LINDA M.C. YANNIKOS |
| | GLENN L. SODERGREN | ROBERT J. BASSETT |
| | RICHARD D. SOMMER | ROBERT T. BISHOP |
| | EDWARD A. SWICKLE | KEVIN R. BOHLMANN |
| | EDWARD P. CHURCHILL | CHARLES E. DOWNS |
| | GERALD E. COMMANDER | ELVIN E. SAFLINGER |
| 6422 | CHARLES F. O'DONNELL | |
| 6452 | | |
| 6477 | RAYMOND E. EVERETT JR. | |
| 6480 | | |
| 6511 | ROY H. HOUSER | |
| 6526 | LAWRENCE D. SHIER | |
| 6531 | REX K. BROWN | |
| 6560 | LISTED PRIOR AS ERNIE G. BABBOLN + 10 OTHERS | |
| 6591 | JOHN D. BALDRIDGE | |
| | PHILLIP T. KOSZAROK | |
| | DAVID R. LAWRENCE | |
| | ROBERT D. PETERS | |

6282 (cont) LORNE R. STORM
ELIZABETH A. WINGATE
YANKO ZECEVIC

6282 SUSAN J. BREWI
CHERYL L. WESTOVER

6283 FRANCES A. KENT (LISTED PRIOR) + 4 OTHERS

6295 HAROLD G. HASELHUHN

6345 MARCUS (MARK) L. CRADDUCK

6351

6414

6422 CHARLES F. O'DONNELL

6488 JOY F. VAARA

6496

6531 REX K. BROWN

6550 GARY H. MINISH

6560 LISTED PRIOR ERNIE G. BANDOLIN + 11 OTHERS

6568 BARRY KENNEDY DAVID A. RYMER
CHARLES R. MACY HARRY T. SPOHR
CHRISTOPHER G. MOORE ROBERT T. WALLER
VERNON L. ROBERTS JR. DON MICHAEL ROTAN

6570

6581 SPENCER W. BERG + 7 OTHERS (LISTED PRIOR)

8044 ~~NONE LIST~~ // · BARBARA BLACKSHEAR
8143 GARY G. SIMMONS
8204 DANNY JACK GERMANY
8236 SHARON C. SALAMONE
8297 GREGORY C. COOKE
8299 COLEEN MCGINNIS
8314 MARY ANN NELSON
8372 GAYE V. HUNT
8449 GLORIA L. HOLMES
8505 EMORY D. AYERS
8524 KATHLEEN A. GALLAHER
8641 MARY JEAN ARKHART
8643 THOMAS J. ALLEN
8740 SUZANNE K. SHOTTS
8834 KATHY A. BORGESON
8884 BARBARA B. BLACKSHEAR
8891 PAUL M. RICHARDS

991 VERB

REPORT OF INVESTIGATION
SPECIAL INVESTIGATIONS DIVISION

TO: PAT WELLINGTON

FROM: RICKI JACOBSON
RICK LUND

DATE: APRIL 25, 1990

RE: TELEPHONE CALLS

---

Telephone number 907-835-4445, belongs to The Village Inn Hotel in Valdez. A gentleman, at the front desk, the phone stated that Ed Walker was the owner a couple of years ago, but is no longer. Walker is currently living in Florida.

Telephone number 907-424-3446, belongs to Marine Advisory Program, Sea Grant Program. This is a college program studying Marine Biology. Rick Steiner is the Associate Professor connected to this program.

Telephone number 907-[redacted], belongs to Rick Owen, who is an attorney with the firm of Groh, Edders & Price.

Telephone number 907-[redacted], belongs to Roy Dalthfort. This gentleman stated that he worked in conjunction with a fellow doing research for a congressman in Valdez. Dalthfort also stated that

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he has done documentation for George Miller and an individual in Virginia. He used to be involved with petroleum; he had problems with oil companies.

Telephone number 907-[redacted], belongs to Cliff Burgland. Cliff Burgland is an oil and gas lease consultant. He is an independent who sells or develops leases.

RSJ:jl
427.j

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ROBERT E. JORDAN, III
(202) 429-8290

November 20, 1991

The Honorable George Miller
Chairman, House Interior and
Insular Affairs Committee
U.S. House of Representatives
Washington, D.C. 20515-6201

Dear Chairman Miller:

Under separate cover, by my letter of November 19, 1991, I transmitted to you a collection of enhanced transcripts prepared from the video and audiotapes recorded by Wackenhut in connection with the investigation which was the subject of hearings before your Committee on November 4-6, 1991.

On behalf of Alyeska, we have searched through those enhanced transcripts and have identified what we believe to be all of the passages which refer to you, your staff, other members of the Committee or staff of the Committee. The extracts are attached, with references highlighted in bold face characters.

In selecting the excerpts, we have, in most instances, included all of the transcript from the point of any question or comment directed to Mr. Hamel through any ensuing discussion by Mr. Hamel which includes a reference to you, members of your staff, or other members of the Committee or Committee staff. This approach tends to multiply the amount of text extracted because of Mr. Hamel's often rambling discussions, but we wished to avoid any possible concern regarding the selective quotation of transcript materials.

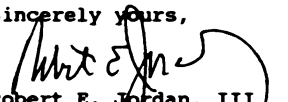
As the attachment makes clear, information concerning you, your staff or other members of the Committee and staff appears on the transcripts of recorded conversations between Mr. Charles Hamel and Wackenhut investigators because of Mr. Hamel's frequent, unprovoked references. When the body of extracted material is examined in its entirety it shows that no efforts were being made by Wackenhut to investigate you, your staff, or members of the

Committee or Committee staff. Rather, it is clear that Mr. Hamel, almost entirely free of prompting, repeatedly referred to claimed relationships with you or your staff.

It is also self-evident that the transcripts do not suggest any effort by Wackenhut personnel to obtain information about you, your staff, or other Committee members or staff. Had that been an objective of the investigation, the transcripts would have shown obviously pointed and focused efforts to develop such information.

On behalf of Alyeska, I ask that this letter and the attached transcript excerpts be included in the printed record of the Committee's hearings of November 4-6, 1991.

Sincerely yours,



Robert E. Jordan, III
Counsel for Alyeska Pipeline
Service Company

Enclosure

cc: The Honorable Don Young
Linda Chase, Esq.
David Dye, Esq.

**REFERENCES TO CONGRESSMAN MILLER AND STAFF IN ENHANCED TRANSCRIPTS**

Exhibit 26. June 21, 1999: Meeting at Crystal City Marriott Hotel (F2R416190)

Mr. HAMEL: Simple. They have two things to do. One, pay me for the damages they owe me. And secondly, set up a health plan for the employees. _____ my lawyer between Seattle and Anchorage. And my message to them is: They don't want to give me credit for this stuff, because they're going to send somebody else to do the same thing. No one's ever done that what I've done. If I'm successful at it, that would make some other guy do it, too. [inaudible].

So they're afraid of that. But I said, fine. All they have to do is, is do the health plans for **George Miller**, the Congressman [inaudible]. So. Regular deal that he and they worked out _____. Give him credit. I don't get credit. I just want it done. I'm not getting out without the health plan. And they know that, and that drives them nuts.

Exhibit 26. June 21, 1990: Meeting at Crystal City Marriott Hotel (F2R416202-04)

MR. BLACK: [inaudible] meeting an intermediary. He gets -- he can get these legal documents and then he does it without you asking?

MR. HAMEL: Yep. [ca. 7 seconds inaudible]. He's getting them from someone who wants to know, who doesn't like what's going on.

MR. BLACK: If somebody legal is pissed at what's going on --

MR. HAMEL: Yeah.

MR. BLACK: They give it to him. [inaudible]. They give them to him and he gives 'em to you.

MR. HAMEL: [inaudible] the legal department.

_____: [inaudible; impossible to determine who is speaking]

MR. HAMEL: I don't think they're going to touch him. [inaudible]. That one I know [inaudible]. They do. [inaudible].

MR. BLACK: Does George know about that guy?

[ca. 9 seconds' pause]

MR. HAMEL: [ca. one second inaudible] I thought they committed perjury [ca. one second inaudible], but they don't think so because [inaudible]. I haven't done anything about it yet [inaudible]. The corrosion that everybody's talking about. [inaudible] from everybody's point of view. It just means disaster [inaudible]. Corrosion [inaudible].

[inaudible; impossible to determine who is speaking]

MR. HAMEL: [inaudible] Along the elevated portion of the pipeline, the saddle is holding you up, see, from the ground. Now you're getting out of alignment [inaudible] it's all going to shake together _____ the

whole pipeline section [inaudible]. They've known about it for many years, instead of doing something, you and I would bring in experts, they were trying to do it themselves. [inaudible]. He's constantly asking about [inaudible] and about [inaudible]. Alyeska [inaudible]. Allegedly, what they're trying to do is trying to solve the problem _____. As to what they do is they put a _____ airbag under the pipeline. They blow it up, take off the [tension?]. Vertical supports have no rig around them _____. They disconnect the oil rig [inaudible]. _____ they leave the pipe up _____, [inaudible -- something about Congressmen]. Now, they're uptight. They know they're in trouble. They know that I know about it. [inaudible] I used to know a guy [inaudible]. It's a small world [inaudible].

So when they were asked about it by George Miller -- Now in my mail, [inaudible]. [inaudible]. They've got vertical support. They've got cylinders inside [inaudible]. [inaudible]. This liquid absorbs _ _____ [inaudible]. They've got hydrogen gas getting in [?] there, but they don't know how. _____ vapors on this _____, but hydrogen gas escaping, and it rises and [inaudible].

Exhibit 26, June 21, 1990: Meeting at Crystal City Marriott Hotel (F2R416205-06)

MR. HAMEL: The ones that [AN AIRPLANE GOES BY]...[inaudible]... .... The people who are using me to do ... [inaudible] .... and I decided on this Exxon matter that at that time, whoever ... [inaudible] ... they don't want him to use it to go to Exxon ... [inaudible] ... but anyway, if they haven't settled _____ their part of the Alyeska problem, ..... [inaudible] ... [inaudible] ... work for him ... [inaudible] ... let go ... [inaudible] ... try to get another attorney ... [inaudible] ...so some of these Exxon guys are really upset... [inaudible]. You'll just have to protect them... [inaudible]...and what they have is ... [inaudible] ... well, I'll figure out how to get what I want _____ to protect them ... [inaudible] ... talking about ... .and my message back to them was Yeah, I'll meet him, I'll do the ... [inaudible] ... but what have they got out west, did they make ... [inaudible] ballast water [?] ... Alyeska ... ___ ... If they knew somebody would talk ... ___ "Give me some clue, give me some help there." Do you know anything about ... [inaudible] ... nebulous, you couldn't _____. [inaudible]. Oh shit. [inaudible] ... and uhm, what I needed is I talked to ... _____ ... this guy ... [inaudible] ... .

MR. BLACK: You talked to him recently about this and he said no?

MR. HAMEL: Yeah. I said ... ... myself ... .... he's on the sub-committee on water and power resources and he's got the *Exxon Valdez* thing by the ying yang, and he's the key guy ... [inaudible] ... on the outside ... [inaudible] whole House of Representatives...a lot of jealous guys _

_____ so if he's not giving up on it, but he can't go too far up field ... [inaudible] ... committee, so if...tankers are _____, he makes it a fishing boat _____, Alaska, *Exxon Valdez*, ____ right of ways along his land, federal land ... [inaudible] ... national ... [inaudible] ... him and on the way to California to his place, and all that fits _____ go to Puerto Rico he'd be in trouble. I recognize him ... [inaudible] ... and he's strong enough in this area, I think I told you, when Tom Foley talked to my wife, and she says, Hey, and he says, Hey, Candy, relax, George Miller is up there and whatever George says we're going to go with. So, I think I'd do the type of thing that you would do. My message out to the guy that I was supposed to meet until the morning was also one other thing, have you done any kind of dumping along the California coast ... [inaudible] ... Miller told me that a guy by the name of Harvey ... [inaudible] ... Harvey from Florida _____ give it to Harvey, Harvey will do something. I don't work for somebody doing something they don't know. What it is ... [inaudible] ... the message I got, now you won't believe this – all said _____, Swear to God, _____ California or Oregon coast ... coming _____ dumping or polluting staff there from Alaska. Well, something as bad as the Florida Keys thing we would been do it _____ coming out of San Francisco ... [inaudible] ... George Miller, San Francisco ... [inaudible]. That, you could just run with in. Santa Barbara and all those people on that offshore thing, when they find out. What I'm

going to get -- I don't know what the hell I'm getting, but it's bad or worse off to San Francisco. I can't believe it.

MR. BLACK: So when you meet with this guy and if it's good, your going to give it to Miller's people.

MR. HAMEL: Well, first of all, I made -- the guy is scared to death.

MR. BLACK: The captain?

MR. HAMEL: Yeah, and not for what you think, not because of a job, but because this is rough stuff, I mean other crewmen, other people can do it, driving around on the boat with you, driving around and doing drugs with you, who did it with you, and they're -- your the squealer so you get away with it, how about the guy who get caught, so ... is afraid, and I think you know that when you go to a, when you change crews of a ship in a dock area you can have an accident for nothing, and I'm not being cute, that's just fact.

Exhibit 26. June 21, 1990: Meeting at Crystal City Marriott Hotel (F2R416207)

MR. HAMEL: The *Exxon Valdez* and that size ship had a funny experience a month before the spill, where the crew couldn't do the work on the ship, couldn't have any overtime ... [inaudible] ... so that they could show the book records on the ship to the Coast Guard, that they didn't have to have that big a crew, there was no overtime, the guys were just goofing off, they had all this free time, and work was done for the few seconds on shore, they would bring guys from all over the place, the refrigerators not running ... [inaudible] ... refrigerator

mechanic meets that ship on arrival, it comes out where their lighter and they did that kind of stuff for I don't know how many months out of the year, to be lower than, the Coast Guard agreed to lower the crew. Uh, that, I learned about, it appeared in the *Boston Globe*, who the hell is going to see it? But the guy gave it to the guy in the *Boston Globe*, and he prints it and it comes out from there to the Associated Press story. I read it in Anchorage, in the second edition of the newspaper, and nobody ever saw it, nobody in the national papers knew it was there. The *Wall Street Journal* didn't write anything, ever saw it, neither did **Petrich**, and I gave it to **Petrich** when he was in the airplane, but he didn't catch it, there were two articles on there about Alaska ... [inaudible] ... but he read the other one and didn't catch it. Threw the paper away.

Exhibit 21. **August 18, 1990:** Meeting at Ecolit office (F2R416352-54)

MR. HAMEL: Well, because -- I don't know which one is going to do it, because I've got something else I'm working on right now. For some strange reason, the British don't seem to understand perjury in this country. They don't seem to understand about what the hell -- I don't know British law, but the British go before the Congress under oath and commit some pretty criminal perjury.

MR. BLACK: Go before our Congress?

MR. HAMEL: Yeah. But our Congress doesn't do much about it. And our Justice Department -- you know, people commit perjury every day on the

Hill. First of all, you're not usually -- you're not under oath on the Hill most of the time. You're just giving testimony.

But Miller's had them under oath. They've committed some real interesting perjury. I set it up. I set the questions up, knew the answers, and watched them lie. No, Miller doesn't know what to do about it yet. And I thought -- another little gimmick I'm going to start. _____ I don't want to be illegally [?] involved and be deposed. I found out that the employees of Alyeska love me a hell of a lot more than I thought they did. I ran into one I think I told on the airplane, that, you know, fell over backwards --

MR. BLACK: Yeah.

MR. HAMEL: -- Taking out his wallet, whatnot.

MR. HAMEL: So I found it, then, that little newspaper they put out to their people, they're always lying in it. So I decided to form a group of ex-employees and present employees, who are my sources, and meet. Call it something. I even had the Prince William Sound Group. I put out a couple of letters on that, and drove the owners crazy. That I would send -- first of all, the new legislation I told you has a task force, a presidential task force. That's my -- a gift to me, that Miller got. Presidential task force. The only other time we had one like that for an audit was the *Challenger*.

MR. BLACK: Yeah, you told me that.

MR. HAMEL: And so -- and the employees don't even know about it. The press hasn't even written it up. [Inaudible] piece of paper, throw it on the

stand, President hasn't signed it hasn't formed it -- They'll do it when it gets formed. The employees don't know anything about it. But they're being told in their newsletter about legislation and this and that. But this kind of stuff, they're not told. So I said, and I'm telling the employees -- they say, "Holy mackerel. Holy mackerel." All excited about it. I said, wait a minute. It's going to be an 800 number. So they'll be calling stuff in, and I'll be out of business which is fine, and -- but this task force had better do something about -- they have to admit what was told to them and what not, and have to report on it and do something about these things.

Okay. They have to do the health audit. First of all. If I ever get a health audit of Alyeska, and it's favorable to the employees, they've been screwed, they've been poisoned or whatnot, and some kind of a long-range health plan for them, I owe the employees nothing else. That's the promise I've made to them, and if I can deliver that, that ain't bad. Because, you know, that was a big one.

So I had the commitment, and I've told the lawyer, I can't settle with them. It drives Alyeska and them crazy. They talk to the lawyers all the time, and I says, "I can't settle with them until I get a health plan for them."

And I told my lawyer, it doesn't have to be me. They don't have to give me credit -- they don't want to give me credit for anything, because it would just encourage other people to do what I've done to them. But they can work it out with Miller. They can say, you

know, what Miller -- they agreed together that they're going to start a health plan, trace all the employees in case somebody got a little benzene. I don't care how they state it. They haven't done anything wrong or just the case. But the health plan, go find every former employee, and all the present ones and start marking, start watching them. Because some of them are going to be -- benzene is something that some are going to be in deep trouble twenty years from now, leukemia and whatnot.

Exhibit 21, August 18, 1990: Meeting at Ecolit office (F2R416356-57)

MR. HAMEL: Well, that's why I'm nervous about where you're going to have them, because that's what life is all about.

MR. BLACK: They're in-house documents.

MR. HAMEL: They're in-house documents that came right out of Alyeska, is because somebody is pissed off. I got more people that are just pissed off that Alyeska does these things, just like this ship captain who -- this guy is unbelievable. Why would he do what he did, telling me the stuff they're doing? I'll tell you what I hope to do with George Miller. George Miller is going to be a big friend of yours. And when you do send this stuff, I'd like to -- whenever it's possible, you run it by Petrich, and let Miller look at it --

MR. BLACK: Those guys -- those guys don't want to know about legal documents, internal legal documents.

MR. HAMEL: No, no. But they've been wanting to know, Petrich asked me for

those a long time ago. I didn't give it to them.

But here's what's happening to Miller. Miller got -- originally --

MR. BLACK: Does Miller know about it, or just Petrich?

MR. HAMEL: Just Petrich.

MR. BLACK: Okay. Good.

MR. HAMEL: Yeah.

MR. BLACK: Because your other -- your other lawyer said he didn't ever want to see him. Because they're hotter than a firecracker.

MR. HAMEL: I can tell you that the Attorney General of Alaska knows about it. The attorneys -- for the plaintiffs know about it. The Justice Department knows about it. Everybody knows I got them.

Exhibit 21, August 18, 1990: Meeting at Ecolit office (F2R416358-59)

MR. BLACK: You told me about that, but you know, oil prices are going crazy because of this Exxon --

MR. HAMEL: Exxon has, going on right now in San Francisco Bay -- but not only them, they're all doing the same thing, but I just happen to know about Exxon, lightering operation, where these two vessels, the *Baytown* and the *Galveston*, are -- you -- I don't know if you read the NTSB report on the spill, the *Exxon Valdez* spill, but even the NTSB made a big issue about the crew was overworked. When you're overworked, you make mistakes. You make mistakes, you cause accidents. The accident was -- everybody was overworked. The first mate who should have been up there steering, and the captain -- first

of all, the captain shouldn't have had anybody doing it anyway, but if you're going to have anybody, you're going to have the first mate steering you out of there. Instead, the first mate was sleeping, the second mate was sleeping, because they were overworked. The third mate was overworked, like them, but felt sorry for them and figured he'd do it because he'd never ran a ship like that, but that's the kind of ego trip that will never show up in court, but anyway, that's what happened. But -- Miller wanted the task force that we're talking about to go from Prudhoe Bay, which it's got now, to California, Panama, the whole coast. Tankers and all. Merchant Marine Committee, you've got no jurisdiction. You're always overreaching. Screw you.

So you finally want to lease the terminal, because it's got federal lands along the way, whatnot, but he wanted the tanker part, but he didn't get it. Merchant Marine and Fisheries, you know, with the PACs -- you know, they can do what they want. They can have a one-man crew and a whole ship, and they don't care. Okay? So -- paid, they're all paid off.

Exhibit 21. August 18, 1990: Meeting at Ecolit office (F2R416360-63)

MR. HAMEL: I guess what you've got to bear in mind is, if Alyeska was making a billion dollars a year profit, and it -- and they still were cutting back. They couldn't stand it. Cut, cut, cut. Because any profit center -- everybody starts losing their mind. A little more -- if you make a

little bit more money for them, they give you a better promotion, and when you retire -- three-year retirement, you know, three -- last three years what you retire at. And these guys just -- they'll do anything to make the profit center more profitable, and "what did you do for me today?" type thing.

And that -- that's the way it operates.

But -- so what I'm looking at doing there for **Miller**, it's real cute. I talked to **Petrich** about it very briefly, and he's going to be calling in from the trip, so we can spend more time on it. I've got a guy who's no longer going to sea, who was inspector for the unions as well as being a boatswain and mate. And he runs this thing they call Sound Watch I told you about, and he runs [COP?].

And -- nice guy. Very naive. Over his head in what he's trying to do. He belongs at sea. He doesn't belong on shore - Out of Baltimore [?] -- And he's real cute in how he operates and whatever. But yet, he's got great informants, great people, great -- great contacts. But what I want to do, if I can pull this one off, is I want **Miller** -- he's going to start campaigning very soon. He's already campaigning this week. He's on vacation right now, but he comes back for a couple of weeks, then he goes every weekend campaigning, and he lives out there with his family every weekend. And then for the November election, he's campaigning, in San Francisco, where his area is.

And he's known for worrying about the _____ -- the whole system.

He's always been arguing, he's worried about the system, and as it goes by. Oregon, British Columbia, and we've got to be sure of this. And what -- he's done a lot of things. He really trusts me, and we're doing very well. And I can say if he wants to do this, he will hire John Ballantine, an expert, who knows tankers _____ -- he's been in the tanker trade in Alaska, _____. And he was an inspector for safety for, for the unions when he got out, because he was so mad at what was going wrong.

[2 seconds inaudible] the committee. The committee, now under subpoena and everything else. You know, the committee. Expert. And hires him, puts him in his office in San Francisco for a couple days. And he takes him with him, on a given day, and he tells the Coast Guard, I want to take -- I want to ride around with you, watch, you know, the ships and stuff one day. Gets that approved; Coast Guard says sure, any time you want.

And then on a given day, and my Exxon captain is going to tell me what type of day, when, just like I wanted to do with Alyeska before the spill when the Coast Guard wouldn't do that for me. It's a certain hour, certain time, loading and unloading and -- and the boat. Everybody's so exhausted. And then they're going to go up further, to Benicia. And accidents are going to happen.

And that's when Miller would say, at that time, we know the right moment, and everybody's going to be overworked, whatnot. Miller is going to say to the Coast Guard, "Okay. I want to take a tour

with you. All right? This is my time." That cutter will be there in a minute, forty-footer, whatever. "And I'm taking my assistants with me." Fine. Staff member is going to have the United States House of Representatives, identification and the whole schmeer.

And as they start off -- "What do you want to see?"

"I don't know. Let's go out -- what's that over there?"

"That's a tanker lightering."

"I want to go see that, right around. Okay. Let's go out to it." Nobody's gonna [inaudible].

So they ask to board, the Coast Guard boards the tankers all the time to do safety inspection, to do whatever. "Let's go up and do that one. Let's go up and see it."

So they get in there, looks around for a few minutes. "I gotta go. Just got a phone call." I [don't?] know. He's got a beeper, got a beeper or something. They've got to leave. I'll leave my assistant on here with you.

The Coast Guard leaves someone with them. We're not taking, leaving him, he's House of Representatives. How is Exxon going to kick him off? He's got the Coast Guard guy with him. He'll look around, and know what to ask. He's going to be told everything to find on the ship that's wrong, and talk to the crew. How long have you been operating? How many hours have you worked? What the hell's going on here? Aren't you -- you know. And ride up the river with them.

MR. BLACK: Whose idea was this?

MR. HAMEL: Mine. It's a great idea.

MR. BLACK: Does [Inaudible]?

MR. HAMEL: No. No. I ran it by him, but it's mine. Miller couldn't get that part. But that's San Francisco. It's his town. I mean, if they spill, it's right here in his town. And the refineries are right there for him. So he may -- he may say no. You know, he may be afraid [of the refineries to go after them too much?]. You never know.

MR. BLACK: Well, it would be great.

MR. HAMEL: But if he does it, then what he would do then is, is scream, rant and rave. Who is it again? Exxon. I hate to beat on Exxon, but what a beauty. Exxon, you're about to have another accident again. Exxon, don't you agree that that task force ought to include the shipping, all the way down, and not just be for Alyeska?

And he'll go back and say, "If you don't agree, I'm going to have a whole hearing tomorrow, and we're going to argue." He can hold a hearing right there in San Francisco. _____, you know, they'd do that in a minute. He could demand to hold a hearing right there in San Francisco, and have those Exxon -- top officials at Exxon, and answering questions they don't want to believe. And he's going to have an expert of experts on that type of tanker, who will know what to ask, and how to ask, and now make sure that it works.

Anyway. That could be fun for Miller.

MR. BLACK: But this is happening on a regular basis, though. My question, just

as a citizen and as a human is, what can we do to stop it?

Exhibit 22. August 18, 1990: Meeting at Ecolit office (F2R416371)

MR. HAMEL: So I made a deal with him, I says, here is what I am going to do. I may not succeed, but what he wants is he wants to clean up the operation at Exxon, without getting caught. For him and all the other guys. They want to have a safe ship, they don't have one now. They want better conditions, they don't have them now. They are not looking for extra pay or anything, they don't want to get paid for it, they don't want anything. So I said to him, if I could get him the task force that Miller's got, and if I could extend it to the ships, it is exactly what he would want.

Exhibit 22. August 18, 1990: Meeting at Ecolit office (F2R416379-81)

MR. BLACK: That would be a smoke.

MR. HAMEL: That came out of my lawyer Mason, was figuring out on my water in the oil, what they showed is they couldn't find where the water was coming from. Oil companies, eight of the biggest oil companies in the world could not figure out where the water was coming from. It kept trying to find it because it behooved them to let the water down the pipeline, they were putting him up above, but they showed meetings top officials come in the owners' committee, bring it up in the meeting. "Hire a new task force." Always task force, task force, task force, trying to figure out what is wrong. So therefore, you can survive. Something goes wrong, hey, you know we tried. We spent a lot of money in task forces [inaudible]. Well, that is what they

do here, they don't want to spend the money cause they know when they face this thing, it is almost $800 million, I think, to replace them all, 5 thousand each and I forget how many thousand of them there are. So as long as there is no earthquake and if you are lucky they can get by with it. So they say, you save $800 million 10 years ago in interest, that is big bucks, so even if you have to spend it now, so what, you went that far with it, so this little spill happens and whatnot, and then you can go have it straighten out and go spend all of the money. That is the way to operate, that is the only way they can operate, in their mind. So now they finally with the *Exxon Valdez* they panicked, they said uh-oh, we got to, we can't afford something like this any more because **Miller** is making noise, everybody, so they hire the Battelle Labs to come and do something, maybe with the guy at, of the guy, he doesn't know he knows me but I got a friend of the guy, like everybody else he's out in the wilderness, this guy keeps telling his friend everything he is doing. The guy that designed the special type of tool to get this damn system out so he could sell it to Battelle Labs that the engineer if they put another one in these five thousand dollar deals, just you, not lose the whole system someway it is sucking the whole piece of equipment out and carrying it out to run tests and that's what I've been hearing for years about this stupid engineers, everybody trying to figure out why the hell [don't?] they get somebody that really knows what they are doing here, correct the problem somehow. So I tell **Miller** about it, **Miller**

and Patti Epler. Patti Epler asked Alyeska: said, no problem with vertical support metal, it was okay. Everything that is belowground is rusted, corrosion problem. Nothing aboveground. But they admit that they have some problems, but nothing serious. **Miller** asked the question of George Hermiller, the President of Alyeska, in the last hearing, just a few months ago, it was a set up, the guy. He wrote him a letter asking him a bunch of innocuous things that I had asked for and we agreed we wouldn't say anything about the vertical support [members?], just catch him cold turkey. He says, you have any corrosion problems with the vertical, with the aboveground, how about the vertical support members, ah, no, no, no, no problem, none at all. Now we have all problems with the shoe, they rust down below, but we can cope with that. Like any metal of shoe underneath the ground like that will rust a little bit. Okay, no problem, the system is fine. They were really well covered. Three pages of everything's fine, no corrosion problem at all. Under oath. But George, James Hermiller, the President, didn't answer the question; when he was asked, **Petrich** says his face just tensed. He says, I wished you could have seen it. I usually have my TV camera set up and I didn't, that day, the kid that was supposed to do it for me didn't show up so I just didn't do it; he said, I wish you had it on film _____ you could see the way he was casually having a good time and all, [several words inaudible], what were you asking for, and this came out of the blue and he froze and he didn't answer.

And this guy Rocky Williams, his Vice-President [to the right of him?] who is head of corrosion problems, he is an engineer, he said "may I answer that for him," Mr. Hermiller said, fine. Then he actually said we have problems with this little shoe, but we have no other corrosion problem or vertical support members or anything like that, I don't know what you are talking about. Well, about three weeks later, the *Insider*, the little newspaper, they announce that they have a little corrosion problem with the vertical support members and they are working with Battelle Labs, working 'cause that is what they are afraid off they haven't told their people, but they panicked. That is perjury. Under oath. But they didn't know it was coming, they panicked. Now, what do I do with it? You know, for Miller to go do something about it, how can he, and deal with the Justice Department, how serious is it, was it. Well, I happen to know what it is. So now, I see that they tell their people that Battelle Labs is working on it, and they think they found a solution. I have to wait it out. I got a phone call. I left Boston two days ago where I had some midnight phone calls. Hey Chuck, guess what, Battelle Labs tests what they thought would work out, didn't work out. Battelle has screwed around, it's up in the air. They don't know what to do about it. Nobody has a solution. That was two days ago. But Miller is gone. He don't want to hear any lectures. Hey, wait a minute, I got to do something, so I am going to do this. I'll [tell you?], see what you think. I am going to -- I just got the mail today, every

employee of Alaska, of Alyeska, getting their addresses, home addresses, and I go to write this group [inaudible] call myself and my guys. And we are going to say, you know, you be the judge. That Hermiller and the [two Williams?], they always boast on behalf of Alyeska and all of that stuff, and there is an article on our newspaper about how they appear before the committee and, fantastic, had no problems, every word perfect and they, you know, Congress was satisfied, it's a big mix-up shouldn't been up there in the first place: this is the way they handle things. So send that, which they all read. Send the one which they say they got a corrosion problem that I know about it, they can't solve it. And in between I give them the questions, the testimony, right out of the testimony, as printed, ___ ____ the hearings, I have the hearings, not printed yet but I got the original transcript.

MR. BLACK: Yeah.

Exhibit 24. August 19, 1990: Meeting at Ecolit office (F2R416415)

MR. BLACK: Yeah, I am going to be able to and in fact have you put in a put in a password in for Chuck, have you done that yet?

MR. HAMEL: I don't need one.

MR. JOHNSON: You don't want to.

MR. HAMEL: What you want to do though for that very purpose, that I just told you, you are going to run into some of your attorneys running network before you are going to say I love it, you do it ask this question, lot of good that does, the question, you get the answer but you don't know the follow up. That is not your business, so what you are going to be saying is wait a minute, I'll make this so simple for you that Chuck will use it, meaning other guys like me, will say where they have, the way I see the great way of this system is when you got data that you want them to start playing with and you download into whatever you call into a laptop file and he is on a trip somewhere and the spirit moves him you made a so simple window that he can start comparing depositions to comparing stuff that he can do it the way you are doing it for windows here, ah, he is going to say, I don't have to be a genius and he will find some stuff that he'll go ask you next time. How can I say this stuff, is made easy enough without the backslash what you call it to save it, if he saves it all and he doesn't have to print it and gets back and gives to Sherree or who ever, and he says okay, I found all the stuff that we wanted print it.... print it. The next thing you know he will print it

himself because it is easy enough to set this up and then don't forget to put in the gadget in here near the printer back in the office so that you can print it, Patrick [Petrich?] carries his own portable printer with him and only because he has become computer familiar.

Exhibit 27. August 23, 1990: Meeting at Ecolit office (F2R416432)

MR. HAMEL: . . . so there was a problem in the engine room; something went awry; and a couple of guys happened to be down there doing something else; doing maintenance work, and off she went. Ah, the safety aspect very bad for the men, and they can't bitch because who are they going to bitch to. Now, Mr. George Miller just passed that new legislation, I think about the task force, and he got wiped out from under the shipping area because the maritime committee said that's our bailiwick and they just cut it out as a favor to the Exxon and ARCO [proper?]. So, what I'm working out, it may not work out but I think he'll do it, I think he'll be tickled pink with it, it turns out that their lightering is going on, the Exxon lightering, by coincidence, is going on outside of his district, a little bit, down the bay a little bit, but the boats doesn't come into his district, the two boats, the Exxon refinery is in his district, and ah, he's being accused of hitting too hard at Exxon, et cetera, et cetera. So he makes; I just can't hit that hard; he's up to his ears in two other things, I've checked. He's got two major things coming up. Major hearings before he comes on the session here. He's campaigning in his

district.

MR. BLACK: Ah - huh.

MR. HAMEL: And my plan, my suggestion to him is that he bring?

[Telephone rings]

Exhibit 27. August 23, 1990: Meeting at Ecolit office (F2R416438-42)

MR. BLACK: Yeah. So these are the Florida Keys people.

MR. HAMEL: Both Florida Keys and the waste products going to Alaska, but I got off on a tangent here. On George Miller [BEEP! BEEP!]

MR. BLACK: *Jesus!*

MR. HAMEL: That's all right.

MR. BLACK: Excuse me --- fine--- all right --- good --really --- no kidding --- well, isn't that special ---- No, this is no big thing, in fact I've got somebody in the office who we'll need. I am here for awhile, we'll just continue to talk and just give me a buzz in a couple of hours. Bye. Go ahead. Sorry.

MR. HAMEL: So, if it works right what Miller will be doing is he'll take John Ballantine, my expert in Seattle, who is with Seafarer's International Union, ah, Safety Officer and ----- ships for them besides being a mate himself and a bosun before that. He knows the ship from the [bottom?] up. Bosun runs everything below the base. He runs the crew and guys, et cetera. So, ah, what we'd be doing, is Miller would during his campaign, as the boat arrives in Benicia, right in his district, the guys are totally exhausted because ----- trip, it happens

every, we'll be following the crewmen --- aboard who are going to be involved. And when the boat arrives [I?] Miller's going to arrange with the Coast Guard that he just wants to look at things for the Coast Guard in his district. That makes a lot of sense. He has the Coast Guard cutter their and, ah, he'll plan his timing so he gets hops on the Coast Guard boat the same time the Benicia's coming up to the dock, and, ah, so "let's get on that ship," I mean the tanker's coming up to the Benicia refinery, "So let's get on that ship and do the Coast Guard thing," well, hell, they're going to be docking, so that's no big deal. The tug boats are pushing her in, and all that stuff. They'll get on, he'll walk around and he'll be told ahead of time with this expert with him, Ballentine, what to look at. He'll go see some things that are eye-openers. How come, why, and this and that et cetera. Exxon will know they've been set up, but so what. And what we're gonna do is know the crew on that day will be the people involved. Anyway it's kind of real cute.

MR. BLACK: Does Miller know this yet?

MR. HAMEL: I've talked to his people that I have something coming in, and the whole thing is, if Miller could say, hey, I can't hit Exxon anymore, I am not a politician. So he may say, hey Chuck, do it some other way.

MR. BLACK: I can't hit Exxon on any more because --

MR. HAMEL: You never know. Where if he starts making excuses then I know too well, that oh, oh, he's a friend of Exxon right now, I don't blame him,

he's got to stay at home. So, hopefully if he doesn't do it we have some other way of doing it. But this is the best way. I owe everything to Miller, my deal with him has always been give him a shot, if he doesn't want it, we'll both decide who else is going to do it instead of him. It could be environmental groups that comes in and hits them or whatever. But see, the Coast Guard, as you know, is crooked so can't depend on the main part of this. So what he'll do is just start it and by the time that thing docks, you know, he'll have a beeper or one of his assistants gonna be his press man and have a beeper, oh, shoot, I gotta go something, something just come up. However you gonna put Ballantine on his payroll at a $1 a year. I mean remember I used to run a senate office I was Tom Downey's aide down say, hey, way back when.

MR. BLACK: Yeah.

MR. HAMEL: Chris Dodd's father, I use to do juvenile delinquency stuff. We use to do investigations or what not, in San Diego or what not. So, put a guy on for a $1 and he become, he becomes,

MR. BLACK: So Miller would put,

MR. HAMEL: He would put Ballantine on his payroll for a buck and he then becomes a committee and staff member on this investigation, the still ongoing investigation of the *Exxon Valdez*: Miller's argument is he wants to know the whole transportation system. So, he's gonna catch him now, see, he can't go to Maryland and catch him doing something wrong, or Louisiana. He's got to be, I mean it had to be,

when I first talked about this, I can't touch that Florida Keys thing. That's OK. The way I started wiggling around, maybe there's something in California, Wham-o, and hit California, that not only hit San Francisco, but hit his district, and the particular stuff I am asking about is going right into, and the Exxon guys who are communicating with me. This is their bitch. That's why they first came to me. If you think the *Exxon Valdez* is bad we're gonna do another one. Because they're making us do the same circumstance, everything's the same.

MR. BLACK: Unbelievable.

MR. HAMEL: So [we?] don't have a radioman, all that kind of stuff. So from **Miller**'s point of view, if he flies with this we're going to have a field day cause he's got to leave. So he leaves this committee expert onboard, with the Coast Guard guy and the Coast Guard guy, you know, they're all alike. I don't say nothing, but if you show it to me and I got a Congressman in his district, OK, I see it.

MR. BLACK: So this committee expert is really going to be Ballantine, [your?] guy?

MR. HAMEL: I know.

MR. BLACK: And Exxon --

MR. HAMEL: He has no money for this. I mean he has I, I, paid, between you and me, I have the Chief Counsel for Alaska to Alyeska at my expense.

MR. BLACK: The **Chief Counsel** for who?

MR. HAMEL: **Miller**. His **Chief Counsel**. **Miller**'s office, his committee has no

money. Udall keeps things .... no money.

MR. BLACK: Oh, this is this guy Jeff....

MR. HAMEL: Jeff Petrich.

MR. BLACK: Petrich. You flew him up there?

MR. HAMEL: I paid for everything. Well, you know why. What happened. That lead up to his big air pollution thing that's going on that they've been polluting their people, everyone, every Alyeska employee now has a mask....

MR. BLACK: Yeah. Yeah.

MR. HAMEL: -- because they're polluting.

MR. BLACK: But Exxon ... But Miller's been a thorn in Exxon's side. And Exxon knows that Miller's getting the scoop from you.

MR. HAMEL: Well, they know that all along. Oh! The President of Alyeska has called all employees, you're talking about 1,600 employees, into conference, where he has them go to seminars. Changes shifts so he goes on Valdez on a two day period, so there's a morning shift, night shift, a new morning shift, a new night shift, over several day at Pump Station 12. I think it took him four days to do this. All the shifts at Pump Station 12. He's running around in circles, there's a whole pipeline. The second time he meets his employees, ever, ---- but the first time was only that whatever ship he came through on. Now the first time he ever met all his employees was about 4 months ago, something, 3 months ago. He meets them for the first time since November and he says, "All right, I want you to know that

Congressman George Miller is out to shut the pipeline down. He wants to destroy us." And all these people, now you have to be talking to a moron for the moron to believe you. Cause the thinking guy will say, wait a minute, most of them don't know where Miller comes from. They don't know that Benicia refinery. The two refineries in his district, that without Alaska crude oil, his San Francisco people will have no gas. Oakland and San Francisco, NO GAS! I mean, he shuts that pipeline down and he'll be out of office in one hour. They'll impeach the sucker. But they don't know that. So they're being told this guy, George Miller, is a bad guy, 'cause they know that I got people feeding stuff to me that filled Miller. That's all the employees know. That's a known thing, it's been written up. So, he says, "now he wants to do this at the behest of Chuck Hamel." Well, you know I'd never want to close that pipeline down, hell, I got oil up there. You know.

MR. BLACK: -- just ----- want to pay ya.

MR. HAMEL: Oh, that's one thing. But then on the pollution side of things I am known for ----- on pollution. So, all I want is clean up their act. Then I ain't got nothing to bitch about. But the employees would be safer, everything gonna be, safety in cleaning up their act, they won't be drinking benzene, you know, fine. So. But he says. "He's doing this at the behest of Chuck Hamel. And he says, "and I want you to know," and he's walking up and down the podium, "I've been in Washington, and I've seen Chuck Hamel and George Miller

holding hands together in the quarters on two occasions." This is the President of Alyeska. The BP President. The BP wheel.

MR. BLACK: No.

Exhibit 27. August 23, 1990: Meeting at Ecolit office (F2R416443-45)

MR. HAMEL: Well, let me tell you. I can't make one mistake, mind you. So when we do this you'll have everything you need, I wouldn't be going. Because I've already been through the wringer on this. All these articles on that subject.

OK. So, anyway on the lightering, what Miller would be doing is, he'll identify while Congress is still in session, it's important to me. Before Congress goes out. He can come back to Washington and raise hell on the floor, get something in the Congressional Record, holy mackerel, you wouldn't believe what's going on, and try to tack onto some bill an extension of his task force going south. They took away the shipping part of it. The task force can only do an audit down to the terminal. And what he wants is an article all the way to California. And so for Oregon, Washington state, and California's benefit, you now, the ships aren't working right, something horrible can happen. Well if this is done right, and he gets this incredible, I mean, ah, Coast Guard has to agree to his experts identifying all these terrible things that are going on, on the ship, an accident waiting to happen. Then he turns around and makes some noise in Washington, and says, I want to add on to one of the bills going by

an extension of that audit to include the ships. Can you see Exxon coming in and bitching to him, and fighting him. Can you see any members telling 'em they're against that, 'cause he's become sort of a name in this thing. They were against him saying it's none of his business, he is not the Merchant Marine. Now it comes out it's in his port. No ships. The only control he has is in his port, is to add that audit to, it's not a big deal. If he doesn't pull it off, I don't know George Miller. I can see him pull it off. And then you know our Congress says, if you pull something like that off, the White House, you know your opposition, it's your bill, it's your thing. The White House has to let you have a little scoocum [?] on that. So that's what I am saying about some of the people named to the committee -- to the commission and he'll have some say of, and any time he doesn't like what the commission is doing, this task force, he can hold a hearing against it. He will have a field day, and it's what he wants. So, I am sure he'll pull this off unless he, for whatever reason, politically decides he wants to back off on Exxon. And if he does we'll bring some other vehicle to do it.

MR. BLACK: If he doesn't back off Exxon will have a heart attack?

MR. HAMEL: Well, it's gonna hurt em. They'll know it's me ----. I think I told you when the Vice President of Exxon, their top lobbyist, a guy here in town who is an adviser to Rawls. When Rawls first testified in Congress that first day over *Exxon Valdez*, and Iarossi, they were trying to leave. It's like a stumbling effect. They were trying to

leave and the new people were trying to take their place in the seats couldn't move because the Vice President stops Kathy on his way, she was in the front row, and he stops everything, pulls her out of her chair and he gives her a big hug and turns around and says to Rawls and Iarossi, I want you to meet the wife of your worst enemy. They said who. Chuck Hamel, shake hands with Kathy and laughed. Meanwhile everybody is stumbling into everyone, nobody can move, the Congress or the Senate, I forget, the Senate, they're all waiting for this crowd to move out and they don't seem to be moving out. They're talking to Kathy. So they know me real well. I tell you, very well, that's life in America. Ah, so this ... the San Francisco lightering I need that something whatever, if I don't do it with Miller, I am going to do it somebody, because that's my commitment to the Exxon crews. They help me on everything else, this is what they want. I mean the Florida Keys they're afraid of, because they're going to lose licenses if they get caught having done it. So, if they gettin' caught with our --- shipments by Exxon in the north, they don't care about that, because they won't get in trouble for that. They didn't know they were doing something wrong, in terms of the proper thing to do. So that's why all of them are speaking up now. So that up to something, it's a ringer, I got to get that done for the guys to get everything else we want in exchange from them. And the same guys are going to be giving us what we want on how bad Mr. Rawls lied about the quantities and ah, and ah, *Exxon Valdez* spill. And you

know there might be a suit there. If Exxon apparently collected ah, they got a tax deduction for all their costs up there --

MR. BLACK: Ah ha.

MR. HAMEL: -- the two billion they're spending apparently is a tax deduction for them. And, and part of their statement is that they lost 10.8 billion and they want to chase it, and they achieve X percent --

And if it's a big lie, what are their statements?

Ah, and it was 20, so they didn't recover as much as they said. So some of their statement is lying. I don't know how you do it, but you go in and say, hey, wait a minute, you can't run around getting tax deduction by lying. You can get your tax deductions for what you did, but don't lie about it. I don't know, it's just an idea.

MR. BLACK: OK.

MR. HAMEL: I've got an expert at Harvard University Law Department -- great environmental expert who calls me all the time on this kind of stuff. He said he would research everything in the law for me in that so we could just run with it makes sense when the time comes. So, but the guys again from the Exxon crews, they don't care about that subject. I mean, so, they don't mind helping us but they don't want to get caught in it. Ok, so that's why I got to spend time on the San Francisco lightering, but it also doesn't hurt for **Miller**, 'cause another good deed for **Miller** when we're doing our things I can tell you, *Boston Globe* will be talking to **Miller** and the day he puts something in court, ah, the *Boston Globe* article the next morning is going to

say Miller said Miller said Miller said, which is what makes articles, and then the rest of the press picks up because it goes back to Miller and get something new from him.

Exhibit 28. August 23, 1990: Conclusion of meeting at Ecolit office (F2R416491)

MR. BLACK: This is the guy you told me they knew about because of the mail?

MR. HAMEL: No, this is a whole new thing. No, I got one guy who because of the mail told me about the rim coolers, he calls in all the time, and he calls in to me before I even say anything to him. I says, hey, what are they doing up there? I don't like to ask questions that the guy could get into trouble if he told me. Its just that I hear that they are going to spruce things up again. He says, yeah, you know I just put the rim coolers back on. And this guy keeps asking my other guy, because they happen to know each other for some other reasons, is this guy in Washington? and Miller and whatnot. And the other guy says, nope. I figured you are one of his sources, because you are always bitching about some of these things. So, give me some of your stuff. The one guy is giving the other guy stuff to send to me. And he doesn't know that the other one is one of my sources. And I don't tell each one.

8/30/90: Exhibit 30. August 30, 1990: Meeting at Ecolit office (F2R416519-28)

MR. HAMEL: What you been up to last week?

MR. BLACK: Just been running around. Putting out fires.

MR. HAMEL: I wish I was your age and doing that again, I used to do that when I was younger.

MR. BLACK: I don't fell like I am young being, I am whipped.

MR. HAMEL: I used to jump from country to country like a yoyo for fun. Well,

the, ah, a couple of things I wanted to run by you. I had a problem with that Florida matter, because my captain was too deeply involved in it. And, ah, you kept putting the finger, like to stop things as opposed to just identify past things except [inaudible]. Ah, so I, ah, he's been away and, ah, and, ah, I told him how important it was overall, and I did what I had to do for him while he was away, and his whole, what he was talking to you about, he was just crying to me, he wanted to cry about how dangerous it was on the ships. And how bad things are, etc. Somebody's got to do something somewhere. And he tried to reach **Miller** and **Miller** wouldn't talk to him. Well, well, I had him finding somebody who could deal with my -- and my Florida crisis. I had the chief counsel of **Miller**, that is, his committee. Who didn't have time for the guy when secretly called in and blow the whistle -- And then the chief counsel in Cordova, my country, he likes backpacking, that's why I took him to camp and all that stuff. So, and I told him I had been to Alaska up there and I think that's where we and his wife had been on vacation. And, ah, on the arrival Riki Ott was waiting for him, she got off her boat and started fishing and whatnot. Took care of him for a day. Took him out, out to the reservoir, camping, hiking and whatnot. The next day Rick Steiner came back in town, and he stayed at Rick's house and Rick's girlfriend. Big difference. My son's van was there, a sleep van for them, and, ah, they took them kayaking, they took them over Prince William Sound by --

MR. BLACK: Was this guy Percy?

MR. HAMEL: This is, ah, **Jeff Petrich.**

MR. BLACK: **Jeff Petrich,** I know.

MR. HAMEL: And then they took him, ha, other friend was there with his little yacht that he bought to take Jacques Cousteau's people, whatnot. An old fisherman type. He's just the stupidest guy you ever met. Ah, an old philosopher type. Wears sandals all the time etc. Cold weather, but anyway. So he takes _____, and they let me know him and like him to so before he comes down here to testify. So he's waiting for 'em, pushing his family off his boat -- visiting. Find a place for them and takes them out on the yacht. Fishing and this old, old wooden yacht, ah, they're architects so he and took 'em to the areas where there still wasn't [inaudible] by plane. And then they took him, with a friend, all these friends with airplanes, of course, ah, float plane, guide ah, big wheel plane. Took 'em out to one of the islands to a Forest Service cabin. Forest Service ranger has a cabin. And they landed, boat tied on the gravel beach with this airplane, dumped them off for three days there, and it just, _____ _, I mean, you know, you only have so many days to do something, but when **Petrich** got word about his trip. I kept saying, relax. It's gonna work out fine, you know. Anyway. So while he's that way, and I am talking to him about my problem with the captain, and he was telling me, you know, if you can relay it to us, of course I'll do something. If not, I'll put you with somebody else. I don't want to

be with anybody else. I'd like to stay where I am at. So now my captain comes back, and I told him what I have for him. I explain Ballantine to him, and that Ballantine is prepared to go work for $1 a year, for Miller and their Committee. And I used to run a Senate office so I, twice, I understand [inaudible]. For $1 a year. Miller has no money. He goes to the committee but it's too complicated. But just like I put up the money to go -- with Chris that legal. Ah, the guy I'll be paying [inaudible] ah, I deal with Ballantine on some of this stuff, when I get my money from Exxon, which is about three or four weeks or more. Ah, and I got a loan coming in from my apartments up there, so I can take care of it. So what he'll do, Ballantine will go with Miller to the ship as it's, first the ship comes in lightering, and everybody's frenzied, work, work, work. Then it hurries up, ah, after lightering, up to do the dock. We'll go take a ship that my captain is not on. But by the time we do this he'd be back at sea out there, so we'll make sure it's not his. So the captain is gonna talk to Ballantine on a three-way phone conversation and tell him what to look for, Ballantine, the bosun and the mate at the same time. He's served on some of these ships himself, Ballantine, so and so.....

MR. BLACK: This is at an ARCO ship out there?

MR. HAMEL: Exxon.

MR. BLACK: Exxon ship.

MR. HAMEL: And going up to Benicia refinery. I meant to bring the maps. It's

really cute. Benicia refinery where the whole thing focuses on is, is when this guy was calling Petrich, Petrich didn't know he was working on the Benicia refinery, he thought he was talking about Florida. So it turns out that, that he never dreamed of doing what I want to do. He only wanted to, pay it back for Florida. And so anyway, it's so funny because he's gonna tell Ballantine what to look for. Ballantine went out twice to sea when he quit, because of the, ah, of the Seafarer's International Union sent him out. He's an officer of the union. And sent him out as a safety inspector on a couple of ships. It just was so bad that things had to be cleaned up with the guys. And he understands what to look for, the guys told him. Most of these guys he served with at one time or another, as a bosun, not just an, you know a bosun is top of the deck.

MR. BLACK: Umm uh.

MR. HAMEL: So then he. I told the captain about, I usually don't tell people about him, but Ballantine is openly working for him. So I told him about him about him. He says, oh yeah, he was on the *Exxon*, the *Exxon Juneau*, no, *Overseas Juneau*. When she hit the dock. I said yeah, that's why he got off. He went public on it. Said the whole thing, they're all overworked everything maintenance was missing, whatnot. Oh yeah, nice guy, all right guy. I said, well, that's who it's gonna be. All right. He said, what I'll do is I'll tell him everything to look for. The things he'll find himself without me. But anyway I'll tell him everything to look for. And the deal is this.

If Miller doesn't do this for him I'm going to shoot him, [inaudible] anyway.

MR. BLACK: Does Miller know about this yet?

MR. HAMEL: Yeah, Petrich knows that I got something going, and Miller's people, ah, PR guy knows it, I got this whole idea for them for the campaign. And Miller and I. You remember the *Exxon Valdez*, don't you. [Hahn?] says I orchestrate the hearing, Miller keeps saying I am pretty good at this stuff, and all my information is always perfect, he says. What I want Miller to do, and you'll love it when I tell you. Ah, that is the time frame.

MR. BLACK: Oh.

MR. HAMEL: Miller is out campaigning pretty soon. And while he's campaigning he'll tell the Coast Guard, I want a tour of the harbor. Really. You know the Coast Guard will salute and all the 42-footers sitting [inaudible], you know, and wherever he wants to go, go see. And it will be arranged at a moment's notice, he'll call and whoever's the duty officer knows already the campaign schedules is tight, so whenever he call, go. And Miller and his assistant want to take a tour around this and okay and the press man the photograph man, whatnot.

MR. BLACK: And the assistant is going to be Ballantine?

MR. HAMEL: Yeah. Several assistants. His PR guy his, ah, you know they always go in entourages, but Ballantine is the expert on the committee. The committee person. And then, and he'll have official government

identification. Then he goes to ah, the minute we know that she's finished lightering, and she on his, her way up, it takes hours to dock a boat, you know. So what they'll do is, Miller will then get on the 42-footer as she's about docking and he'll get into port and say, what's those, that tanker over there that's docking over there. Well, why don't we go to that one first. Just come alongside of 'em, go up the gangway ladder, and, ah, the mate is gonna be in 20 directions to the captain, everybody busy, a just look around and Coast Guard and do an inspection. And the Coast Guard guys don't know what to look for, and never will, don't understand. Identify it for 'em, and they know _____ that's wrong, et cetera. For example, one of the boats has no fire/water system and they use it for moving oil around now. And instead of having fire/water system in here they fix the fire/$H_2O$ system and they're moving oil through the fire/water system, it's got oil. Comes to a fire, you're putting water through the oil to the fire. Anyway, that kind of stuff is all illegal. The Coast Guard wouldn't know how to find it. They know it's illegal, wrong. Talk about if that thing ever blew up in the port, in his port, and it had no fire/water system, then you can explain later, well, it's one of those things that happen. So what Miller will do is, he'll hardly stay in the boat for half an hour, but the worst things will be found immediately. A couple of bad things will be found like that, and Miller is gonna say, what does that mean? And the Coast Guard is guys _____ this is a big problem. Then Miller's beeper is gonna

go off and just say, gees I got to go, ah, another meeting, but I'll leave my assistant here, and you Coast Guard men, you stay with him and I'll go ashore through the gangplank and I'll go home. I am gonna do my thing, and just leave 'em there. And while they're discharging these guys will be, they'll look at the log, how many hours the guys worked, everything that been wrong at the *Exxon Valdez*, everything the NTSB reports said, it will be right there again. It's just that way. The guy knew who Ballantine was, of him, and heard about him because the guy...

MR. BLACK: You mean, you mean --

MR. HAMEL: The captain.

MR. BLACK: The captain. This is your captain, is gonna be on that boat? Is that gonna be his boat?

MR. HAMEL: [Go on purpose?]

MR. BLACK: So he'll be off that boat?

MR. HAMEL: He'll be on another. There's a bunch of boats going up there all the time. He knows each one of them intimately. And Ballantine served on some of them, so, ah, we'll pick the one that he picks for us, and we'll do it.

MR. BLACK: Ballantine knows about it?

MR. HAMEL: Yeah. He loves it. Already.

MR. BLACK: He'll get the $1, whatever it is, a year from now,

MR. HAMEL: And I'll make up to him later his time, whatnot. And, ah, it's really something [inaudible]. That takes care of the captain. Now the

captain knows I spent a lot of time and effort, troubled him a lot, and dreamed up how to do it. He never dreamed this could be done. All he kept saying, was wrong, wrong. He'll say identify this as a bad thing in Florida and somehow --

MR. BLACK: Is this the same captain that did the oil drums --

MR. HAMEL: In Florida.

MR. BLACK: Is, my, the big question. The thing that is gonna put it all together, is Petrich gonna be able to do it? Will he do it?

MR. HAMEL: He'll do the California one. He won't be able to do anything about Florida.

MR. BLACK: Right. But you think he'll be able to convince --

MR. HAMEL: Absolutely. The only think that could go wrong is timing, you know. The ship's there when Miller's back here in Congress, or he's there and scheduled to give a speech and can't make it. But he'll pull it off one way or the other. I want this dramatic way with Miller himself. Miller could pull it off by just saying, I got my assistant, I want him there, and the Coast Guard show him around, and do everything the same without Miller present. But I think it has more pizzazz if Miller show up. And that's all, and Miller will do that only if the schedule permits that day and whatnot. 'Cause I can't picture the time and hour that it will be done.

MR. BLACK: What kind of guy is Petrich? You mentioned that he was outdoors. Petrich is an outdoors kind of a guy?

MR. HAMEL: He's an outdoors kind. And he's been, lived in Alaska. He

campaigned in Alaska many years ago, and his uncle lives up there. That's why he went up. And, ah, he campaigned for a guy who beat my Senator. Ah, Petrich, when his boss becomes chairman of the Interior Committee, which he will. The full committee. Ah, as soon as Mo Udall quits. Mo Udall has Parkinson's and 20 other diseases. He can't walk.

MR. BLACK: Yeah.

MR. HAMEL: He can make it to the podium hardly. And he still, perfect brain, but body's gone, and ah, with pneumonia spent six months, six weeks in the hospital not in too good shape, with pneumonia. So he wasn't supposed to run again, the family. But he decided to run again and he announced last time. Now if he dies, this week, November 4th he'll still be elected. Arizona and Mo Udall. So Miller in the meantime is chairman of the subcommittee, which has to do with Alyeska, Interior, Lands....

MR. BLACK: Yeah, I'm familiar with his committees.

MR. HAMEL: So what happens is Petrich has got no staff. Zero. Zero. No secretary, nothing, he uses whatever secretary in the office can help him. There's a girl whose name is Sharon who helps him out as much as possible, in the full committee. Ah, the day Udall dies Miller becomes chairman of the full committee. Petrich will be chief counsel of the full committee, and he'll have, full committee of like 40 employees, and Petrich will have 5 assigned to him alone, at least. It may have a _____ effect. It's a long term for you all. Keep

the rent paid until then. There will be things you can do with him because, ah, the problem you find, when you understand **Petrich** he's easy, but most people don't understand him, any guy that doesn't have staff, does the work of five people, they got the [Tongas?] National Forest, I mean they whipped everybody on that and it's not even their area. Against the Congressmen and Senators of Alaska, they're all bought and paid for, and **Miller** beats 'em in their own backyard. _____ The [Tongas?] Forest, on the *Exxon Valdez*, a host of legislation against their committees. And, he just does it. And he's become. We got bumper stickers for Alaska, "**George Miller**: Congressman for most Alaskans," floating around during the campaign. Just for fun. But anyway, ah, so **Petrich** is very uptight. Very, very short to people. He's just impatient, and if his mind's on something he's very hard to get to. I've have, because of what I did for him, in those hearings. I mean, it was out of sight. Ah, everything I did for him. Delivered the people to 'em. Didn't cost him a dime. At the time he was up in Anchorage preparing the hearings. He sent a Federal Express back to **Miller** of the interviews he had with each of the top people, Exxon top people, Exxon Alyeska that I had for him. That I flew in to Anchorage for him. And he caught hell from the full committee, ah, an administrator was sending across Federal Express package.

MR. BLACK: No.

MR. HAMEL: Interesting?

MR. BLACK: Well, they don't have a big budget.

MR. HAMEL: Well, but see, at the same time you'll find that Petrich, I have a deal with him. People are trying to see him. I fax stuff. We fax to each other everyday. I fax a message to him _____ so I don't have to talk to him. When you know someone that well you don't have to talk to him. When I know he's uptight and really climbing the wall, I usually have he and the wife over. And we either eat at home with someone like Ricky, who he likes. Rick Steiner. We have no time to spend with him like he wants. So we just have dinner at home. And then his wife has to pour him into the car. He's not an alcoholic. He doesn't drink except have a beer or so with us all the time. But on those nights I always have my _____ . He pours it and while he's talking his wife sips it up and drinks it, and she doesn't want it. But she figures she drinks it up. And it's all empty. He pour so far anyway. And we pour him in a car and send him home. But it really unwinds the guy. I do the same thing with Rick Steiner when he overdoes things. Just, it can break you out, same thing, I lock her up for a day. These people work at such a pace, and they do it to themselves. So anyway he is real close, and and --

MR. BLACK: Sounds like it.

MR. HAMEL: -- and as long as I don't, ah, I don't want any problems. What I want is things that I want he wants. So we get along real well. And, ah,

MR. BLACK: Does Exxon know that you're close with him?

MR. HAMEL: Well, that's where Alyeska told everyone of their employees that Chairman of the Board, I mean the President of Alyeska, that the first time he met each and every employee ever at a news line few months back. Ah, told them that Miller was trying to shut down the pipeline, not true, and that he, ah, he does this on behalf of Chuck. And that Chuck Hamel and Miller were seen twice in the corridors holding hands together, I think I told you this story. Every employee of Alyeska knows that Miller may be queer and I am queer and with him. Ah, the, ah. In the wake of the *Exxon Valdez* they say that I orchestrated Miller's hearing something like a Jewish wedding; I forget what she wrote [laughter]. So we, ah long-term I think your gonna have a lot of fun with it. Because it, the environmental community gets to him, and are close to him. But they can't react at it like I think you and yours as a small organization. And the environmental community, ah, they, each one has a little piece of this. If you're coming over here then you better check with this environmental community, you know. If you're down in Florida, Sierra Club can't do anything, it's a great thing up north but the Sierra Club down there [inaudible], you know. You don't have that, yet. See, when you get to be huge you'll have the same problems as everybody else. So the areas that you might find to be fun that you bring to him and he'll work with you, 'cause he has subpoena power all the time. There's a lot of things he can do.

MR. BLACK: Yeah.

MR. HAMEL: And, ah, that committee used, ah, under oath, for the *Exxon Valdez*; the first time that committee has ever used the oath. Everybody's under oath. First time? For how many years? That's a hell of a big difference. Although everybody lied to them, but at least, they were all pretty nervous, no one, even though a lawyer, likes to be under oath in depositions or whatever. So anyway, that's what's happened from it, though, is the captain did a little bit for me to now, 'cause he's. I talked with my link with him, said that he really, he liked his vibes. He said he had good vibes with you and he liked you and all that kind of stuff. And I think what made it for him is that the two phone calls he wanted to make, I told him not to make, 'cause somebody could relay back to him. So I don't ever want make any phone calls, ever, on anything in doubt that he's wondering on. Tell me what you're not sure of, and I'll go find another way to find it. 'Cause you can give me directions where to go find it. So that's what we did. Turns out that he, ah, ah, he was up and putting together one of these ships for the Navy and trying to put all of the reserve laid back in to 'em or to see, get and got hired while he's off duty, with a bunch of other guys who put these ships on _____ __ the _____ even though they won't go to sea with him. So the guys going to sea, and just get on and go. And he tracked down a guy who is his counterpart on a ship that carrying the oil out of Florida that his ships no longer carry. Remember, they, last

November they sold the ships, but they chartered in other ships to carry it. And first mate on the ship is discussing with him how, the two of 'em was joking how they could write a book. And that's how he got the guy into the conversation. They could write a book, the two of 'em. On how they've been dumping off the Florida Keys. And so the guy, he says, -- so I am going up to meet with 'em next week. And, ah, I told 'em I had to go see my mother again, OK to spend the day together now this time.

MR. BLACK: Meet with the same guy?

MR. HAMEL: -- So he'll be my captain and he's gonna tell me all about the ship. He just got all the details from 'em. Who the people and then --

MR. BLACK: No.

MR. HAMEL: -- and from there, I got to find that guy to give me somebody who quit that company again. But there Ballantine comes in. He knows more guys in the merchant fleet.

MR. BLACK: Do you think they're doing it now?

MR. HAMEL: That was the point. The new, the ship that was chartered in, that's what I wanted to know.

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[Side 2 begins]

MR. HAMEL: Like I said, we had move on that because, you know, a year later is a little late, is better than nothing, within, by November. I want to be able to say that within this past year they did it. But I kept

wondering, who's doing it? And the ship that was doing it was sold by Exxon, is on another business. So it didn't dawn on me what's it cost to go find out who, what, where, and how. And I didn't want to press him. I really, I wanted to gain his confidence before I pushed him with anything. So while he knew what I was doing. Trying to do this thing for him with Ballantine and everything else. He thinks it's just unbelievable, I could do something like this. Oh, because ultimately, what Miller's gonna do, Miller asked, and got the task force of the pipeline. Presidential task force. And the sea leg of it was taken off by the Merchant Marine Committee people. The sea leg was cut off. Now my argument is, when he does this, and he sees the horror, then the sea leg, he will first of all approach the oil companies and suggest to them, do you agree that we change that thing to include the sea leg, or do you want legislation, and do you want me to bring this up? Because this is unbelievable and I want the sea leg first. He'll start screaming he wants to see the sea leg first or a separate bill he'll do in Congress right away. I mean when he starts swinging, you know, he's six four and everybody trusts him in Congress on these issues. Whatever he gets into he is, ah. When the spill occurred and I was up in Alaska, and I was madder than hell 'cause Bush wasn't doing much and I called Kathy, Kathy called Tom Foley. Called and said, hey, Chuck's up there and Chuck's uptight about the Congress. Nobody seems to know what's going on. So, he says, Well, Kathy, don't worry. We got the guy we

trust the most on this subject, ah, George Miller. Not, not Senators from Alaska or Congress he says, he says there's a Congressman named George Miller. And he says, he is up there and he is really gonna, Congress is gonna follow him on this one, believe me. I'll know more about it when he gets back and I can tell you that, you know, tell Chuck that you're not forgotten out there by the House. We do have a guy [inaudible]. So Miller's in Chuck's house [inaudible]. He says, well relax. Kathy goes knows Foley like that. She goes back to, ah, they were in Congress together as young kids. They were going through Congress, ah, working for Scoop. They both came to Washington schools, that kind of stuff. But, ah, so anyway, Miller, this captain rather, ah, is very happy. So he went out and he found what I wanted. And I told him it was important. And I find two things. One, my Alaska bound crud and my, ah, the Miami thing, I says is important.

MR. BLACK: That's great.

MR. HAMEL: And two.

MR. BLACK: So he thinks it's going on right now?

MR. HAMEL: He knows it is. I talked to him last night. First time I was able to get 'em. First time I've gotten him since I've seen him. I haven't been able to talk to him.

MR. BLACK: That's incredible. Who owns the ships?

8/30/90: Exhibit 30. August 30, 1990: Meeting at Ecolit office (F2R416553-54)

MR. HAMEL: And that, I got tons more in boxes, but those that I've spent time trying to go over, I've just put them in chronological order. Now, if you guys put that in, because I was going to have this girl do it too, is put those in. Where ReadWare happens to be useful is when there is maybe fourteen issues in the bi-weekly coax cable, something happened in -- the line, something happened here, a corrosion problem here, all that is in there. There's no way you can file that. And how do you cross-file something like that? Especially if you don't even know it, I know, I've read every page of those, so I know if I want to find something, if I had ReadWare I could find it. It paid for, like having them paid for themselves fifteen times over. When I was able to find for, just by playing a little with ReadWare, what I already put in the file system and asking the ReadWare, I found two references to those secret meetings, that secret that nobody knew about, that prior to the *Exxon Valdez*, the two meetings that the oil companies had about, they're in trouble, they can't handle the spill because of Exxon.

MR. BLACK: You told me about that.

MR. HAMEL: But that was dynamite. Now Miller has gone out and done something with that.

MR. BLACK: Those are the kind of memos, those internal memos that you get out from under them, that we should put in there.

Exhibit 31. August 30, 1990: Conclusion of meeting at Ecolit office (F2R416557-59)

MR. BLACK: Would you ask her what she thinks about Exxon's pleadings, about they have no relationship?

MR. HAMEL: That's how things happen. Pick up the phone you know, yeah, I've got some more for you, baby. One thing that may be, I am waiting for Miller, what to do about it. He was busy on other stuff and now he's so busy. I've checked the schedule and he's got two hearings coming up in September for child abuse, child care and that kind of stuff, and some, like a _____ forest-type thing somewhere. I don't know where it is but anyway, ah, like the Redwood Forest or something. So he's got two hearings in September and they're only going to be in for a month, and he's got to be campaigning, ah, he's not about to handle this other stuff very heavily that I had for him, I don't think, he may. What it is, an editorial [?] about 'em, the vertical supports, ah, that hold the pipeline up, ah, I had it set up as an *Outsider* thing and we're going to point out to the people the testimony and how they lied. He lied on their behalf, they're gone. What do they think? But what I had in mind, but it may be that, ah, it's a legal thing involved here. And here's why, you got the underground, four hundred miles of pipeline is underground, four hundred miles is aboveground, hey, and this was a national big issue. That the underground was corroded. And where it was corroded is fifty-cent pieces, how big the corrosions are, but it's still bad. Fifty-cent means they're gonna pressure him anew, and, ah, it corroded

small dimes and quarters all over the place, but the bad ones were a couple of fifty-cents pieces. It's a big issue. And it's gonna be several billion dollars to dig all that crap up and fix it, and I gave that out way back when, the corrosion thing, to Miller, Patty up at *L.A. Times*. The *L.A. Times* is very interested in this thing, but they don't understand it. I haven't given them any more because I don't want to go any further 'cause Miller was handling it, and Miller didn't have time for his hearings, and didn't handle it right. But he did at least ask about it and he got, he was afraid I was wrong when I said we have no problem. The vertical supports, we don't have a corrosion problem _____, Petrich says it takes [flash?] and he panics, didn't hit it for awhile and that's why I was sitting behind laughing at him, what are they gonna say? They lied. Under oath. "We don't have corrosion." And I'd known for years that they had. Now I figured semantics, I can move toward Canada, and told Petrich, _____ smart-asses, they gonna find these British semantically wasn't corrosion was something else, ah, and this is where they _____ hydrogen gas leaking in and screwed the system up. When he went home, two weeks later, and the *Insider*, first of all, the following week was a nice story in the *Insider* about them testifying and everybody thought everyone's fine, things aren't so bad after all. No big deal. Perfect hearing. And then two weeks later, *Insider* says, oh, guess what. We're having a problem with the vertical support on this and the Battelle Lab has studied it and they think

they found a solution to it. It's a corrosion problem, corrosion problem. Battelle Lab has been on it for six months. It started after the *Exxon Valdez* and that was the corrosion problem on the underground that they were working on. So Patti Epler of the *Daily News* asked the head of the pipeline, on two occasions, sort of casually, while they were talking about this subject. Where he said it was only 400 spots and I told them it was 800. So she kept needling 'em. She told 'em she had a source that had 800, and he said well actually, yeah, but we haven't finalized the report on that yet. What does he know? So while she was at it she says: "What about the newer problem? How about vertical support?" No problem. Vertical support on this next time. No problem. Hell, but things are sinking. A fifty-cent piece breaks free, you're going to have a problem. But the vertical support is the integrity of that, if this is down six inches here and it stays that the correct place here, you got incredible stresses. And you have those earthquakes which they have up there, that thing will pop open, pour around there quick, OK. And they put this, the turbines for natural gas liquids either, there's a lot of reasons why this is a bad number. Now if you are looking straight down at the pipeline, here's the vertical supports and here's the saddle it's on, it's the pipeline, and it's just free moving. It could go this way or this way.

MR. BLACK: Um hm.

MR. HAMEL: Just from an earthquake, anything. But it can't go up and down.

Well, if it can't go up and down, and you've got a situation where stress is developing because they're all dropping by inches, then you've got a bad problem. It turns out to give this report, about Battelle Lab, because they lied to Congress; they're about ready to get clobbered with it, they better get their people ready for it. They've done it every time I've come in from behind on them, I'd always read in the *Insider*, they'd cover their ass. So, I said, well, they've covered their ass, they must know that Battelle Lab. Lab's suggestion is going to work on this hydrogen gas that migrates out, that they've learned how to cope with it. So I started treading water. Because they got rid of me on the subject. Because I don't have a source better than what I've got. My source says they are still waiting on the Battelle Lab, but if Battelle Lab thinks it's got answers to it, by the time it trickles to my guys, I have to live with it, so I didn't press **Miller** any more because I don't want him to go forward. I got enough things to do and I didn't want him to fight and then, sure it was a bad deal, but like you said, I didn't want to catch him today. So there's a bad deal, but we solved it. Well, it's not the same thing, then **Miller's** harping on something too much; too bad, they lied, they kept it quiet, but, you know, too late. Well, I found out last week that the Battelle Lab didn't succeed. And it's not working. And they don't have an answer. And they're going to have to replace all these suckers. It's like eight hundred million dollars. At the time here. But when they replace it, it's with the same old

stuff. It ain't nothing new, they don't know how to solve the problem. They're even saying they think it's the Northern Lights that's causing it.

Exhibit 31, August 30, 1990: Conclusion of meeting at Ecolit office (F2R416562-63)

MR. HAMEL: ... But now I've found out a couple weeks ago that Battelle doesn't have the answer to it, too. Meanwhile, **Petrich's** traveling, **Miller's** traveling, I don't know what to do with them either, but they've committed perjury on it. I'm, uh, I think what I got to do on that one is do a memo just like I've done on this one here for you. And give you the testimony.

MR. BLACK: OK.

MR. HAMEL: See, I've earmarked testimony where I had them ask a question. It's only a couple of pages. And they flat-out lied. And if you see their own material afterwards, where they tell their own people they've got a corrosion problem, but they've got it solved, and now I'm telling you they don't, uh, then what can I do about it? **Miller** can, see, **Miller** normally would look at that and say, what, commit a perjury, sign it over to Justice, and I don't have to tell you what Justice does. But since there's a pollution problem, if that thing pops, you know, we got real problems, the pipeline. Everybody's looking at [ANWR?] again and whatnot, and it just came to me this past week, I says, if I wasn't doing 50,000 other things, I'd put this together and where I wanted to give it to the employees, and then a copy to **Miller**, and **Miller** could make noise about it, **Miller's** running so fast that he almost needs, if we go do something, in the seventh forum, where we can bust this open, see, this is dangerous, then he could pick that and run around Congress and have a lot of fun where he's not him

saying it again. If they lie to him, he's going to run around, you know, they lied to him. If somebody else says they lied to him, and of course I've got the *Los Angeles Times* wants this real bad and they don't understand it and they are waiting on me.

Exhibit 31. August 30, 1990: Conclusion of meeting at Ecolit office (F2R416565-66)

MR. HAMEL: Nothing. You wouldn't want to meet him anyway. Not important. I'm just going to be, I'm telling him that we're going to be doing some action, he don't know who you are, but I said I'm going to be doing some legal action up there. I don't want to do any legal action like that. Because they're thinking you are, damn, their board of directors are intertwined with the DEC commissioner. And, uh, what I want, when we do something, especially since they've been involved in ballast water and whatnot, when we do something, I want them to make some noise. I want, I want Bill Coughlin to be able to call them up the night, the day before and say, if this is happening, what do you think? That way this gives him the Sierra Club and that kind of stuff and those Trustees are in Alaska. It's all those groups together. And I want him to make a statement, Riki Ott is ready to make a statement, Rick Steiner, so it gives the press, you know, holy mackerel, how could this be going on? As opposed to the press, normally the press takes three days to find all this. Well, I want it all ready so they just -- done this pass up there and they get it right away. I want the press, the Coughlin story to come out in the

morning after we do something in federal court five o'clock at night, so his story is first, and then the rest of the press are reading that story when they sit down in a news conference with you and go run in the same people. They don't care, they just want their own. What I found that they want is, they don't care that they got whipped, I mean, who the hell reads the Washington, *Boston Globe* first of all? The second thing is, this happens to me all the time in the everyday news; second thing is, they don't have to quote the *Boston Globe* or the *Daily News*. Because they could reach the same people. All they want is their own quotes from these people. And that Washington story is the exact same story that they got the wording, the *Wall Street Journal* is perfect for that, and the wording is just, uh, if Rick Steiner says this, they'll get it and say something whole different. Their words, their quote from him. They'll get Riki to say something one word different and it's their quote. Same thing, with Trustees for Alaska, that's the way they function, and you could have, you could just give this thing out and give your names out, we give the phone numbers out and they write their own stories.

MR. BLACK: I like it.

MR. HAMEL: But this could be, this just came to me a couple of days ago, I was doing it in a newsletter because, you know, I want the perjury part. And Miller, before Miller can sit down and do anything about the perjury part, he'd have to send it over to Justice, and Justice won't do anything for a year, and even then they don't want to do anything

against Alyeska, but if we can find there's a legal pollution thing that this is dangerous, that this whole pipe, you know, if people didn't know about the Alyeska pipeline last week, they'll certainly know this week. There is so much discussion now about those damn foreigners, we got their, thank God we got this 25% oil coming from the pipeline, and we're going to get more from them, and you come out, and if we can find a legal part of this, and Petrich can help us if you can't, but I think you will find it before he will, that the legal action that we are going to take is like, please do something in a hurry about this because it could pollute, its going to pollute, its about to break and then let the national press go bananas over this because they went bananas over the corrosion thing. This could be a Hawaiian airline _____,

MR. BLACK: When do you think you are going to be ready with the newsletter? Just timing-wise? Two weeks? a month?

MR. HAMEL: Uh, the newsletter within a week.

MR. BLACK: Really?

MR. HAMEL: 10 days. I gotta do that before I leave on my trip. When I go on this trip, I've said it already. What I'm going to get from these guys, my money is going to be on that stuff and in the newsletter, all the stuff I want to do in the newsletter is could be down the road. The one thing I got to get out in the newsletter now before it gets covered on me is, Alyeska said nothing about this presidential task force, in their newsletter, first of all. Secondly, uh, the press made

an issue of it there, so all of the first newsletter is going to be clean as the driven snow. Its going to be, hey, you know, *Outsider* is in here because --

MR. BLACK: This is going to come from you.

MR. HAMEL: From me. But it's going to be supplementing the *Insider* in somehow the *Insider* forgot to tell you of a presidential task force and here's, its all going to be out of the Congressional Record, I know they'll love it. I do a nice reprint of the Congressional Record and it's what Miller says. I don't say it. Miller's saying, the pipeline this, we're going to make sure it works and that kind of stuff, and there'll be an 800 number for the employees to call in and it'll be a hell of an audit and that's what I want, I want it, and my newsletter its going to say "finally, we've achieved something, there will be a health audit".

Exhibit 31, August 30, 1990: Conclusion of meeting at Ecolit office (F2R412568-69)

MR. HAMEL: Labels or envelopes.

MR. BLACK: Oh, envelopes, right. That's the same. All you need is an envelope feeder.

MR. HAMEL: OK.

MR. BLACK: And you make this.

MR. HAMEL: And I got to do for you vertical support, because the thing about the vertical support, and I want to make sure you understand that part, if we come out and find a legal way to go twitch them on vertical support, it'll be a national deal, first of all, and it'll be highly critical

of them but it'll open up a Pandora's box where the government will have to prosecute them and they'll prosecute them for perjury which is another, Miller wouldn't mind bitching if somebody else brings it up. But he's not going to, 'cause I know him, he is not going to start by playing it up that they committed perjury. He put that in, Petrich put that in, with all the semantics and whatnot, they asked him to do stuff and all he knew was how they answered it. But he hadn't seen the new stuff that they themselves say is corrosion. And that they themselves, I know now, they say they can't handle it. So, the way that one, Miller would have to be discreet, be careful, I mean, be nice. And give them a shot. And I don't want to give them any shot at this. I want to be able to, if we're lucky, we can find a legal way to say that it's not our fault about the perjury, we're just saying, hey, you've got a problem there. And you can't just sit there and toy with it. Bring in some experts, I mean, tell the nation there is a problem, someone else can help. But don't keep it secret. Then the perjury part, let the press do that. Let the press get it all out that these four brains said this; the *Wall Street Journal* probably was there covering that. She didn't understand it all but she said, what are you talking about, and I said, well, I'll give it to you in the package, you can have it. She said it'll be in the *Wall Street Journal*, I'm sure, Hamel, front page. You don't mind me. Remember, Alyeska put out a brochure against them.

Document 4_427.A6. July 30, 1990: Telephone conversation (F2R414557)

MR. BLACK: I don't know that's something to consider. You know what cracks me up when I hear all these stories and hear all these things your doing. If Alyeska onlyknew what you were doing, if they all knew how bad this was ultimately hurt them they pay you.

MR. HAMEL: I did talk to my attorneys about doing something but --- just talk and it's not a matter of paying me. I told them that they just can't pay what they owe me they got to supply me a health plan for all the employees. My last message to them was they don't have to give me credit for it. I want every employee track down sound and placed under this health plan and track --- life because I --- and I told them that they don't have to give me any credit they could work it out and say it's a full arrangement with George Miller. But that --but now that they got the presidential task force looking into the same subject I'll tell you I hear they ------ was sitting in the audience and this shit is going on the Alyeska people and I hear they were shit face.

MEMO

TO: ANA M. CONTRERAS

FROM: WAYNE B. BLACK

DATE: JULY 17, 1990

RE: 427

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By the end of the week, I need all the newspaper articles from Alaska collated, indexed, presented in final form and given to me for review.

Please stay on top of what's happening at the u/c office and make sure that you are not followed. The other side has definitely hired a private investigator firm to findout what's going on.

WBB:jl
427.ww

PAUL, HASTINGS, JANOFSKY & WALKER

A PROFESSIONAL CORPORATION

MEMORANDUM

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TO File - TAPS

DATE: November 30, 1990

FILE NO: 18970.50899

FROM: Joel McIntyre - LA

COPIES TO:

SUBJECT: Interview with Darrell Warner

On November 30, 1990, LSJ, KT and I interviewed Darrell Warner by telephone conference from the offices of Paul, Hastings, Janosfky & Walker, 555 South Flower Street, Los Angeles, California. The following is my summary of my recollection of the interview with Warner and my impressions, conclusions and opinions based on our interview and review of the file in this case.

Warner reviewed his background with Exxon Corporation. Warner has been an employee for Exxon for 33 years. He was a petroleum engineer graduate. He spent half of his career in the Exxon production department in production and drilling activities. Working for Exxon, Warner has traveled around the United States. In 1986, Warner became President of the Exxon Pipeline Company and has been President for four plus years. Exxon Pipeline Company is a 20.3% holder of Alyeska. Since August 1, 1986, Warner has been a member on the Alyeska Owners Committee. From February,

P2R00024

555 South Flower Street, Los Angeles, CA 90071-2371 695 Town Center Drive, Costa Mesa, CA 92626-1924
1299 Ocean Avenue, Santa Monica, CA 90401-1078 133 Peachtree Street, N.E., Atlanta, GA 30303-1840
1050 Connecticut Avenue, N.W., Washington, D.C. 20036-5331 1055 Washington Boulevard, Stamford, CT 06901-2217
399 Park Avenue, New York, NY 10022-4697 4-3 Toranomon 1-chome, Minato-ku, Tokyo 105

1987 until February, 1989, Warner was Chairman of the Owners Committee.

Warner discussed the usual method of communication between the President of Alyeska and the Owners Committee. Warner commented that the Alyeska President has no special responsibilities. The President has responsibility for the day to day operation of Alyeska whereas the Owners Committee sets policy. Normally the President informs the three major Owners equally by informal conversations. The President decides whether to talk to the Owners individually or altogether. Between meetings of the Owners Committee, the President normally brings matters to the attention of the Owners Committee by a conference call about once a month. The purpose of these calls is to discuss various matters with individual Owners. The matters might include any new items which the President wants to bring to the Owners' attention. When a particular matter involves setting policy or is substantially unusual, the President usually advises the Owners Committee. When the matter is precedent-setting, the President usually advises the

Owners Committee. Of any matter with adverse consequences or any matter which would appear in the papers, the President normally informs the Owners Committee either by telephone, fax or letters.

Sometimes the Alyeska President would communicate with the Owners Committee Chairman. Warner had trouble answering whether the Chairman would then decide if the matter should go further. The President could ask the Chairman's advice on when and how to communicate with the other@Owners. Warner felt that sensitive matters ought to be communicated to all the Owners. Warner knows of no other circumstances in which the President communicated one on one with the Chairman of the Owners Committee.

Warner first learned of the Wackhenhut investigation on August 9, when he had lunch with Steve Dietrich in Houston. Steve Dietrich had just come back to Exxon after being Vice-President of Alyeska. Dietrich asked Warner if Hermiller had discussed the investigation of Hamel with the Owners Committee. Warner responded that he had not heard of the

investigation. Dietrich was both flustered and surprised. After this lunch, Warner forgot about the conversation.

Around September 15, Hermiller telephoned Warner to set up the Denver meeting. The purpose of the meeting was to discuss Hamel and to view tapes of Hamel which Hermiller felt the Owners should see. Warner is unsure of the remaining conversation but recalls that Hermiller may have said that Wackenhut was investigating leaks and had tapes that were revealing. This conversation lasted about five minutes. Warner recalls no other discussion on the telephone about the investigation. Only later did Warner connect this conversation with his former conversation with Dietrich in Houston.

Warner recalled an Owners Committee meeting in January, 1990. At this meeting the Owners discussed The Scottish Eye broadcast. Warner thinks that Garibaldi brought The Scottish Eye tape and the Owners viewed excerpts from the program. At this meeting the Owners discussed how the attorney-client privileged

document had gotten out. Warner does not recall Hamel's name being mentioned but there was some implication that outside counsel, Gibson, Dunn & Crutcher from the Exxon Valdez litigation, had an office with temporary workers set up in Alaska. Warner recalls no other talks of leaks at this meeting.

After the January meeting, Warner does not recall whether the Owners discussed the need for an investigation. Warner commented that he was separated from the other Owners due to the Valdez litigation and the conflicts of interest involved. Exxon had counsel, just as the other Owners retained counsel.

Warner's impression from the January meeting was that BP was most upset over The Scottish Eye program. The program was aimed primarily at BP. Previously Exxon had been the subject of most of the charges made in the program, so Warner was not as upset as the other Owners present at the meeting. Warner recalls that the discussion focused primarily on the program, how to refute the charges and how to deal with the promises Alyeska made.

Between September 15 and the September 25th Denver meeting, Warner recalls a telephone conversation he had with Hermiller. In this conversation, Hermiller advised Warner that there were some charges related specifically to Exxon which the two would discuss after the Denver meeting.

At the Denver meeting on September 25, Rusnack, Bilgore, Garibaldi, Pace, Warner and the Alyeska team were present. The Alyeska team included Hermiller, Trotter, Smith and Wellington. The Alyeska team presented a detailed review of the Wackenhut investigation. Hermiller introduced the meeting and showed about an hour of the tapes. Trotter led much of the discussion because he had edited the tapes and had the best overall knowledge of the tapes. Wellington discussed surveillance, guidelines and legal advice involved in the investigation. Warner recalls that primarily Wellington and Trotter spoke at the meeting. The contents of the discussion included the data which the investigation had developed. The Owners were concerned about what to do with this data.

Warner recalls that the Alyeska management proposed action for the Owners Committee. Alyeska recommended that the Owners consider legal action against Hamel because Hamel had privileged Alyeska information. No one on the Alyeska team took exception to this proposal. Warner believes that the point was brought forward for consideration rather than as a strong proposal. He believes that Alyeska management made this recommendation before showing the tapes. The Owners discussed how to litigate and what to do with the information they had acquired against Hamel.

Alyeska recommended a plan to fire Scott and discussed one other problem employee who worked at Pump Station 4 or 6. This second employee was involved in union activities so Alyeska did not think it could discharge him. Warner did not take notes at this meeting but believes that Pace did. The Owners were greatly disturbed by the discussion. They decided to do nothing until they had further discussed the investigation.

At the Denver meeting, Alyeska discussed when counsel was retained in this investigation. Warner believes that Alyeska's in-house counsel was only recently involved. Warner believes that Alyeska felt the investigation was carefully and legally run. From Alyeska's legal department, Smith was brought in and he consulted outside counsel as well. Smith spoke with Alyeska's lawyers in Miami to verify that they had been involved.

Warner discussed the Owners' reaction in Denver. Warner is unsure if anyone was beating on the table in anger but he remembers that the Owners expressed great concern. The Owners wondered if having information of possible legal wrongdoing obligated them to disclose it. They discussed what to do with the data the investigation yielded. The Owners discussed whether to fire Scott, but did not consider whether to litigate against Hamel.

At the end of the Denver meeting, the Owners instructed management not to do anything until the Owners got back to them. The Owners told them to

discontinue the investigation; to close it down as expeditiously and innocuously as possible. The Owners made it clear that they did not want to continue the investigation but Warner does not recall the exact words used. Warner recalls that the instructions included a request to collect data from the investigation. Warner recalls no other discussion regarding the investigation at the meeting.

After the Denver meeting, Warner and Hermiller did not meet a@@planned. Warner asked Hermiller if he wanted to meet but Hermiller said that the business concerning Exxon was disclosed while watching the tapes.

Leaving the Denver meeting on September 25, Pace and Warner discussed the investigation on the airplane. When they returned to their Exxon office they discussed the investigation with senior counsel. All were equally concerned and displeased.

Subsequently, Warner had separate telephone conversations with Garibaldi and Rusnack. These

conversations took place around September 27 or September 28 and were not conference calls. In these conversations, Warner expressed his concern over the investigation and his feeling that nothing should be done with the data. Warner treated it as a serious matter and thought the other Owners should be involved. He felt there should be an independent investigation conducted by outside counsel. Both Garibaldi and Rusnack agreed with Warner's recommendations.

On October 2, Rusnack, Garibaldi, Warner and Bilgore met at Arco in Long Beach to discuss the investigation. They agreed on the need to involve the other Owners and decided to tell them about the investigation the next day. They agreed to do nothing with the data or with Scott. Each had consulted counsel for his own company, and they agreed outside counsel should review the investigation.

On October 3, the Owners met for a full Owners meeting at La Costa. From Alyeska, Hermiller and Smith attended the meeting and explained what had taken place. Smith gave a thirty minute overview of

the investigation. Smith commented that outside counsel had been retained and that the investigation was a legal endeavor in Smith's opinion. Smith commented that Alyeska had employed Wackenhut for the investigation which had yielded substantial data. Smith spoke of taping Hamel in Virginia, going through Hamel's trash, and finding information which verified that employee Scott had provided Hamel with information. To Warner's knowledge, the minority Owners to this day have not seen the tapes of Hamel. Smith commented that the investigation was being terminated. There was no further advice given at the meeting. Smith identified the documents given Hamel as the "promises" memo. Hamel received the memo from Scott via a reporter from a Tacoma paper.

Some of the Owners present reacted very strongly and some were disappointed that they were not included in the Denver meeting. Warner recalls that the Amerada Hess representative compared the situation to Nader as Warner had done previously. The Mobil representative, Hoffman, commented that the Owners had legitimatized Hamel and there was no way to keep the

investigation quiet. The Owners were concerned about the investigation and its potential exposure. There was strong agreement at this meeting to retain outside counsel and conduct a thorough review of the investigation.

Warner is unsure if the Owners recommended action regarding Scott in Denver but at La Costa the Owners decided that no personnel decisions would be made. The Owners instructed the Alyeska team to hold the data collected from the investigation.

Warner discussed Owner approval of the Wackenhut investigation. He believes nothing was said on the subject at the Denver meeting. At La Costa Garibaldi said that Hermiller had advised him of the investigation sometime relatively recently, in July or August.

It is Warner's impression that Garibaldi did not understand what Hermiller meant with regard to the investigation. Warner heard nothing from Hermiller about his informing Garibaldi. When Hermiller was not

present, maybe in a side conversation at the Denver meeting or a day before, Garibaldi said that it would be a delicate matter between himself and Hermiller as to what Hermiller had told him. Garibaldi made this comment in a group of people but that was the end of the conversation. Warner did not question Garibaldi on his comment and there was no follow up statement. Garibaldi also said that he had not understood the implications of the investigation and had passed over it.

Between the Denver meeting and the October 3 meeting at La Costa, Warner recalls a statement, either Bilgore's statement or Pace quoting Bilgore. Bilgore said that Hermiller was very disappointed because he had spoken with Garibaldi two or three times as early as last spring, and Garibaldi did not remember.

Since October 3, Warner recalls no conversation regarding the investigation. Scott's termination was not discussed with Warner as a member of the Owners Committee and Warner was not aware that Scott was fired. Warner recalls that there were

several reasons to fire Scott. Previously Scott had been suspended for fighting on the job. Warner does not remember if the Owners Committee told Hermiller not to fire Scott at all, or not to fire Scott over the data.

Warner recalled his conversations with Pace and senior counsel after the Denver meeting. Warner wanted to involve outside counsel to review the investigation. He was concerned about his ability to sell this course of action to the other Owners. Warner met with the other Owners, including Garibaldi, and shared his concerns and recommendations with them. Warner was surprised at the strong unanimity of the Owners who agreed with his concerns and proposal to involve outside counsel.

Warner was Chairman of the Owners Committee from February, 1987 to February, 1989. If any matter of any consequence was brought to his attention as a new item, Warner's practice was to make the members of the Owners Committee aware. As the Chairman he took no unilateral action. Warner commented that the Chairman

of the Owners Committee has no exceptional authority and primarily chairs the Owners Committee meetings. As Chairman, Warner rarely acted without Garibaldi or Nelson, who was president of Alyeska at the time. On important matters affecting the other Owners, Warner always contacted at least the other major Owners or enough Owners to make a majority.

Warner was on the Owners Committee five months before becoming Chairman. He does not recall the practice of his predecessor.

Warner has always had an open relationship with Garibaldi. Warner commented that it is not the practice for the Chairman to take any controversial action without prerequisite authority from the other Owners. Warner believes that the Wackenhut investigation was a controversial action.

Joel F. McIntyre
for Paul, Hastings, Janofsky
& Walker

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File - TAPS

November 21, 1990

18970.50899

Joel McIntyre - LA

Interview with J.P. Hermiller

On November 21, 1990, LSJ, KT and I interviewed J. P. Hermiller at the offices of Paul, Hastings, Janofsky & Walker, 555 South Flower Street, Los Angeles, California. The following is a summary of my recollection of the interview with Hermiller and my mental impressions, conclusions, opinions and legal theories based on our interview.

I advised Hermiller that we were representing the TAPS Owners Committee and giving them legal advice in connection with a review of the investigation which Wackenhut had conducted of leaks at Alyeska. I advised Hermiller that we were not representing Hermiller individually, and that he was entitled to be represented by counsel of his choosing. Hermiller elected to proceed without counsel. I explained that Hermiller should understand that we would report whatever he told us to the Owners Committee. I also explained that because Hermiller is an employee of

Alyeska, his communications with us are privileged attorney client communications and that he should treat them as such. Additionally, all matters related to the Alyeska investigation should be treated as highly confidential.

Hermiller has worked at Alyeska since June of 1989. Prior to working for Alyeska, Hermiller was employed by SOHIO Oil and worked for BP as Vice President of Refining. There he gained experience in oil refining and supply. He also has five years of chemical manufacturing experience and served as V.P. of Chemical Manufacturing at SOHIO. He was hired at Alyeska as Executive Vice President and CEO. At the time he was hired, the President of Alyeska was G. Nelson. In October of 1989, Hermiller became President of Alyeska. Hermiller did not know much about Alyeska before going to work there. He had never been to Alaska.

Hermiller states that there were continuing leaks at the Valdez terminal and along the pipeline. He also was aware of negative press releases aimed at

Alyeska and EXXON. He specifically mentioned The Scottish Eye, a British television program which disclosed an Alyeska attorney-client privileged document. This document was a Gibson, Dunn & Crutcher memo. Hermiller said that there was an Owners' outburst about this broadcast.

Hermiller believes that contract lawyers could have been the sources of the leaked document. Hermiller could not identify the actual document shown on The Scottish Eye, but he stated that F. Smith could. Hermiller thinks that before his arrival at Alyeska there were suspicions of leaks, especially at the Valdez terminal. He is aware that Bob Scott's name was mentioned. He has no knowledge of other attempts to plug leaks.

Shortly after The Scottish Eye broadcast, Wellington and Hermiller spoke about the need to identify leaks within Alyeska. Hermiller does not recall who instituted this conversation. Their conversation focused on Hamel because the person who

prepared The Scottish Eye program stayed at Hamel's house during the preparation of the program.

Hermiller instructed Wellington to see what he could do and come back with a recommendation regarding conducting an investigation into leaks. Hermiller and Wellington did not discuss involving the Owners Committee. They believed it was premature to go to the Owners.

Wellington went to Florida and spoke with Wackenhut about a potential investigation. Upon his return to Alyeska, Wellington met with Hermiller to discuss what had transpired at the Wackenhut meeting in Florida. Wellington and Hermiller agreed to be scrupulous about legal and ethical issues in conducting the investigation. Wellington recommended using Wackenhut for the investigation. Wackenhut's investigation would focus on Hamel. Hermiller approved the use of Wackenhut and authorized Wellington to proceed. From then on, Wellington and Hermiller had periodic discussions regarding the investigation. Once

every ten days or two weeks Wellington would informally tell Hermiller what was happening.

In the beginning only a few Alyeska employees were aware of the Wackenhut investigation. These employees were Wellington, Hermiller, Dietrich and Iverson. Wellington and Hermiller initially decided not to inform the in-house legal department because they wanted to keep the group as small as possible to protect confidentiality. The decision not to involve F. Smith had nothing to do with him.

Hermiller reports that he had two conversations about the investigation with Garibaldi. The first was a telephone conversation at the start of the investigation. He told Garibaldi that there were leaks in the organization which were being investigated and that Hamel was involved. No record was kept of this conversation. Hermiller recalls that this conversation with Garibaldi took place after Wellington returned from Florida. Hermiller believes that this conversation took place within one month after the March 7 Florida meeting. Hermiller does not recall

whether he told Garibaldi that Wackenhut had been retained to conduct the investigation. Hermiller's comments did not elicit a response and he recalls no response from Garibaldi.

The second conversation between Hermiller and Garibaldi took place in Cleveland. No one else was present. This conversation occurred after the Ecolit office was set up in Virginia and videotaping there began.

During this second conversation with Garibaldi, Hermiller told him that Ecolit had begun taping Hamel in Virginia and that the initial response was encouraging. Hermiller does not recall bringing Garibaldi up to speed on the Ecolit operation. He states that Garibaldi said he intended to inform G. Dunn of the investigation. Dunn is the General Counsel of BP America, SOHIO. Hermiller recalls no other response from Garibaldi. Later, at an Owners meeting in La Costa, Hermiller asked Garibaldi whether he had informed Dunn. Garibaldi replied that he had not.

Hermiller recalls no other conversations regarding the investigation with Garibaldi. Hermiller decided to tell Garibaldi, but not the other Owners, because Garibaldi was Chairman of the Owners Committee. Hermiller wanted to limit the number of people knowledgeable of the investigation to preserve confidentiality. Garibaldi never suggested informing the entire Owners Committee.

Hermiller's standard procedure for communicating with the Owners Committee when new matters come up is to fax letters or memos to them. Hermiller has conversations primarily with the "big three." At the Owners Committee meeting in La Costa on October 3, 1990 there were discussions about hiring outside counsel to review the Wackenhut investigation. Garibaldi was concerned with offending Hermiller and F. Smith. He was concerned that having someone review the investigation might offend Hermiller. The decision on who was going to review the investigation was not yet made.

Hermiller believes that Garibaldi did not fully realize what was going on in the Wackenhut investigation. Garibaldi has told Hermiller that he did not realize the magnitude of the investigation and did not appreciate what was happening.

Hermiller reports that there were no conversations between himself and Garibaldi in Denver outside of the Owners Committee meeting.

Hermiller states that as a communicator he is not the world's greatest. He informed Garibaldi of the major aspects of the investigation, but he could have told him more. Hermiller states that he told Garibaldi that Wackenhut was videotaping Hamel in a hotel room near the airport. Hermiller may also have told Garibaldi that the Virginia Ecolit office was opening. He does not recall. Also, he believes that he mentioned collecting trash. Hermiller states that he mentioned Hamel and Hamel's allegations. He also remembers telling Garibaldi that Hamel was setting Hermiller up for a perjury charge.

In one conversation Hermiller and Wellington agreed that they were ready to end the investigation. They felt that dealing with Hamel was not paying off. It was time to show the Owners Committee what the investigation had yielded. Hermiller wanted to inform Warner of Exxon and Paul Bilgore of Arco. Hermiller and Wellington decided to put the investigation in the Owners hands and let them decide how to deal with Hamel's allegations.

Hamel had made various charges against Alyeska. Hamel's charges included: (1) dumping toxic material into the ballast water treatment system at Valdez, (2) dumping pollutants and sludge into Puget Sound and off the California coast, (3) water in the pipeline, (4) pipeline corrosion and (5) air quality problems. Hamel also made charges that Exxon dumped pollutants in the Florida Keys.

In a telephone conversation between Hermiller and Garibaldi, preceding the September 25 Denver meeting they discussed the purpose of the Denver meeting. They discussed Hamel's charge that there was

water in the pipeline. They decided to tell Warner about the charges relating tb Exxon. Warner had no prior knowledge of the Wackenhut investigation.

In a conversation with Bilgore, Hermiller informed him about the Denver meeting and determined that Rusnack of Arco could be present. The major Owners were thus brought in to review the investigation and Hamel's charges. Hermiller planned to discuss the charges against Exxon with Warner. However, such conversations with Warner never transpired. Many of the charges against Exxon were brought out at the meeting in Denver. Warner dismissed most of these charges as "old hat" and public information.

Hermiller stated that much of Hamel's knowledge gets conveyed to Miller's subcommittee. On the videotapes Hamel says that he intends to set Hermiller up for a perjury charge because Hermiller denies corrosion of the pipeline supports. Hermiller stated that he saw portions of the first videotape made in the hotel room. At the Denver meeting, portions of

more videotapes were shown. Hermiller never listened to any audio tapes.

In another conversation Garibaldi and Hermiller talked about retaining PHJ&W. They also discussed coming to Los Angeles for interviews with counsel. Since that conversation, Garibaldi has retired. A new BP representative will be named at the first of the year. Until then, a fill-in has been appointed.

The Owners Committee meets quarterly. Hermiller reports that, except for the September 25 meeting, the Owners did not discuss the Wackenhut investigation at any meeting prior to October 3, 1990. The Owners Committee had a meeting in January of 1990 shortly after the broadcast of The Scottish Eye. There was comment about identifying leaks and plugging them. Hermiller believes that the term "investigation" was not used. Hermiller stated that Arco's Bilgore was most vocal about locating the leaks. The broadcast did not result in formal meetings or conversations among the Owners concerning an investigation. However, the

Owners were upset about the leaks and continued to comment on the problem.

When Wellington returned from Wackenhut in Florida, Hermiller authorized the investigation. The two agreed to proceed according to legal and ethical standards. At first there was no discussion regarding Hamel's claimed relationship with Miller. Later both agreed that the investigation should stay away from Miller and any governmental involvement.

Hermiller states that the problem of leaks and the Wackenhut investigation were sui generis. Neither had occurred in Alyeska's history and there was no precedent for reporting to the Owners Committee. However, Hermiller did not communicate with the Owners in accordance with his usual procedure of faxing letters or memos. Hermiller did not mention the investigation to the Owners at all because he wanted to protect confidentiality and restrict those "in the know" to a small group. Neither did Hermiller inform any counsel at the start of the investigation. He

states that early on, however, he brought in F. Smith and outside counsel from Florida and D.C..

After The Scottish Eye broadcast, BP sent a list of questions concerning the leaks to Hermiller. BP led the criticism for allowing these leaks to continue within Alyeska. This list of questions pushed Wellington and Hermiller to begin an investigation. Hermiller says that he never really thought that the Owners had to authorize the investigation. He went ahead on his own.

The purpose of the investigation was to identify leaks within Alyeska. Wackenhut was going to accomplish this by establishing a relationship with Hamel, reviewing telephone calls, looking through Hamel's garbage, and establishing the Ecolit operation. When Wellington reported that Wackenhut would do these things, Hermiller authorized the investigation. Wellington continually informed Hermiller of the status of the investigation. Hermiller is aware that Wackenhut sent people to meet Hamel at a conference in Alaska.

P2R500305

Hermiller states that he was concerned over two aspects of the Wackenhut investigation. First, Hermiller was concerned over Hamel's comments about his relationship with Miller. Second, Hamel showed attorney-client privileged documents to someone from the Justice Department. Hermiller objected to this action. Hermiller remembers being concerned about whether he should make public the exposure to the Justice Department of privileged documents.

Wellington received written Wackenhut reports periodically. Hermiller had only the first videotape in his possession. Hermiller did see the Executive Summary prepared by Wackenhut but he did not do much with it. After glancing through it, he gave it to F. Smith. Hermiller cannot recall when he received the summary, but it was probably shortly after Wellington did. He does not recall reading the summary or any opinions of Richey or Goodman. Primarily, Hermiller was informed orally by Wellington on a periodic basis. Presently Hermiller has no materials relating to the investigation in his possession.

Hermiller attended no meetings relating to the investigation in Florida or otherwise. Hermiller had no role in bringing in outside counsel. Richey and Goodman in Miami were brought in before videotaping Hamel to review the legality of that procedure, which they approved. Hermiller never met with P. James or received any information from him. Hermiller never met Boiko, but was aware that Boiko was involved. If Alyeska went to trial with Hamel, Boiko would be the legal representative in the public relations battle. Hermiller never met anyone from Wackenhut.

By September, Hermiller felt that the investigation had gone far enough. Hamel's videotaped sessions were becoming repetitive. Hermiller felt that Alyeska's vulnerability increased as time went on. The longer the investigation continued, the more likely that Hamel would catch on. More people were getting involved and the public relations risk was becoming greater. The public relations concern existed from the beginning, but the investigation's diminishing returns and the greater number of people involved emphasized Alyeska's vulnerability. Much money, about $100,000,

was spent on the investigation, which yielded evidence of two internal leaks at Alyeska. One was Scott at the Valdez terminal. The second was a man on the pipeline, Bill Sea.

Hermiller was also aware of an external leak. The privileged documents used in The Scottish Eye broadcast were obtained from Hamel. Hamel received these documents from reporter Patty Epler in Tacoma. Epler was a continuous problem to Alyeska. The documents in The Scottish Eye broadcast had two possible sources. Epler may have received the documents from a contract worker for Alyeska. Alternatively Epler may have received the documents from the Gibson, Dunn & Crutcher operation in Anchorage. Hermiller has no opinion as to which alternative is more likely.

Ecolit placed flyers on cars at the terminal without getting any results. Because of the lack of response to the flyers, Hermiller believes that no Alyeska full-time legal employee was responsible for leaking the privileged documents to the reporter. The

documents had been duplicated en masse. Hermiller learned this information from Wellington and F. Smith.

Hermiller also knows that at an earlier time a box of legal documents was lost. Before the Wackenhut investigation commenced, but while Hermiller was employed by Alyeska during the summer of 1989, the legal department lost a box of documents. Hermiller has no knowledge of the nature of the documents or if the documents were ever found. Hermiller does not think the Wackenhut investigation tied together the lost box incident and the leak of attorney-client privileged documents.

The Owners were brought into the investigation at the September 25 meeting in Denver. At this point, the investigation had identified Scott, Sea, and Epler. Hermiller and Wellington made a joint decision to phase out the investigation.

At the time of the first videotaping, Hermiller and Wellington met jointly with F. Smith to include him in the investigation. Smith was made

primarily responsible for the legal aspects of the investigation. He was also assigned to view the videotapes and engage outside counsel. Lon Trotter, the human resources lawyer at Alyeska, was brought into the investigation at the same time or shortly thereafter.

Hermiller has met Hamel at least three times in Washington, D.C. at various hearings. The conversations with Hamel were not substantive; merely small talk. Hermiller perceives Hamel as vindictive and out to get a large settlement or make life miserable for Alyeska. Hamel told H. Heinze that Hamel would become an advocate for Alyeska if he gets a large settlement. Specifically, Hamel offered to go to the EPA and withdraw charges in return for a large settlement with Alyeska.

On the tapes, Hamel refers to deals with Exxon and Alyeska. Hermiller says that Hamel has no deals with Alyeska. However, Hamel is a limited partner in a drilling venture in Alaska and may have dealings with Exxon. Hermiller says that no action has

been taken on Hamel's charges against Alyeska because there were no new charges.

Hamel kept his Alyeska records in a computer software program. Ecolit tried to buy a copy of the database or the program. Ecolit bought the program for $2,000. Wellington informed Hermiller of this expenditure. Hermiller knows that $2,000 was spent for the program. Hermiller believes that another $2,000 was spent, but he cannot recall for what. Wellington told Hermiller that $2,000 was paid to Hamel for the program and not for services rendered by Hamel for consultation.

Costs and expenses of the Wackenhut investigation are accounted for under the security budget and charged to security. Therefore, this $2,000 payment should be recorded on the books as a payment to Wackenhut, who paid the money through Ecolit. The books would not indicate any payment to Hamel.

When PHJ&W was brought in to review the investigation, it requested that all materials be

TO: File - TAPS
November 21, 1990
Page 20

turned over to PHJ&W. All materials in Alyeska's possession were to be forwarded to PHJ&W. To the best of Hermiller's knowledge, this has been done.

Joel F. McIntyre
for Paul, Hastings, Janofsky
& Walker

PAUL. HASTINGS. JANOFSKY & WALKER

PRIVILEGED AND CONFIDENTIAL
ATTORNEY-CLIENT COMMUNICATIONS
ATTORNEY WORK PRODUCT PREPARED
IN ANTICIPATION OF LITIGATION

MEMORANDUM

TO File - TAPS

DATE January 7, 1991

FILE NO: 18970.50899

FROM Dorothy Y. Kirkley - ATL

COPIES TO:

SUBJECT: Interview with Fred Garibaldi

On December 4, 1990, I met with and interviewed Fred Garibaldi at the Anatole Hotel in Dallas, Texas.

The following is my summary of my recollection of the interview with Garibaldi and my mental impressions, conclusions, opinions and legal theories based on our interview.

Garibaldi has been employed by BP for 30 years in all phases of its operations. Most recently he has been Vice President of Shipping and Transportation. He has served on the TAPS Owners Committee ("OC") since 1987 and has been its chair since early 1989. He said that the chair of the OC does not have any significant authority in addition to the authority of its members. He viewed himself as serving principally as a "facilitator" of the OC. He stated that he did not believe that there was a formal written or unwritten policy regarding communications between Hermiller and the OC or between the Chair of the OC and its members. He described his relationship with Hermiller as open and believed that most significant matters had been discussed informally by

555 South Flower Street, Los Angeles, CA 90071 695 Town Center Drive, Costa Mesa, CA 92626
1299 Ocean Avenue, Santa Monica, CA 90401 133 Peachtree Street, N.E., Atlanta, GA 30303
1050 Connecticut Avenue, N.W., Washington, D.C. 20036 One Canterbury Green, Stamford, CT 0[illegible]
9 West 57th Street, New York, N.Y. 10019 4-3, Toranomon 1-chome, Minato-ku, Tokyo 105

57-163 1178

EXHIBIT 198

the two of them. He had no particular rule of thumb for notifying other members of the OC by fax or by phone but again felt that communications were relatively open.

Garibaldi was aware that there had been leaks from Alyeska prior to the Scottish Eye Show. He said he had noted public disclosures of technical information which he believed had to have come from within Alyeska. However, he was not aware of any prior investigations conducted by the internal Alyeska security department.

Garibaldi stated that he had some familiarity with Hamel prior to seeing the tapes on September 25. He knew of Hamel's claims against Alyeska, that Hamel was claiming to read Alyeska's mail and that he was making what Garibaldi thought were extortion-type demands for money from Alyeska. Garibaldi says he did not know of Hamel's relationship with Congressman Miller and did not know about Hamel's relationship with the Scottish Eye reporter prior to seeing the Hamel tapes.

Garibaldi saw the Scottish Eye broadcast in early 1990 that included material leaked from the Alyeska legal department. He downplayed his personal concern about the broadcast but did say that there was substantial discussion of it at the next OC meeting. He recalled no

discussion at the OC meeting about Alyeska undertaking an investigation of the leaks. Although the Scottish Eye program was focused on BP, he said that BP did not plan any investigation of the leaks but viewed them as Alyeska's problem.

Garibaldi and I discussed what he was told about the Wackenhut investigation by Hermiller. Garibaldi initially recalled that in July or August of 1990, Hermiller told him that Alyeska had tapes of Hamel. Garibaldi says that he did not appreciate what Hermiller meant and thought that he meant Alyeska had some tapes that <u>others</u> had made of Hamel. He did not understand that Alyeska was taping Hamel. Garibaldi said that he absolutely would not have approved this operation for several reasons. First, he disapproves of the techniques used such as videotaping. Second, he believes the investigation (if it is disclosed) might make Hamel more credible and raises his profile. Third, he did not believe that anything productive could be accomplished.

Garibaldi insisted he did not inform Dunn, the general counsel of BP, of this conversation with Hermiller. He said there was no reason to advise Dunn since he did not appreciate the facts that Hermiller was

CONFIDENTIAL

telling him. He said Hermiller did tell him that he wanted to wait to show the Owners the tapes. Garibaldi did not question Hermiller.

I asked Garibaldi whether it was possible that he had had more than one conversation with Hermiller concerning the investigation. Garibaldi advised that there was perhaps one earlier conversation but he recalled no details.

Garibaldi was called by Hermiller just before the September 25 Owners meeting. According to Garibaldi, Hermiller advised him that he believed it was time to show the Owners the Hamel tapes and Garibaldi did not object. Garibaldi stated that even at this point in time, he did not understand that Alyeska was making the tapes but still thought Alyeska had simply obtained tapes of Hamel made by others.

Garibaldi confirmed that in the September 25 meeting, the Owners representatives who attended were upset about the tapes and, as a result, instructed that no further taping be done and that the investigation be ceased as quickly as possible. Either at that meeting or the October 3 meeting, the Owners representatives discussed whether or not Bob Scott could be fired.

According to Garibaldi, it was ultimately decided that Alyeska could terminate Scott for cause and so long as the leaks were not one reason for the termination. I advised Garibaldi that Scott had recently been terminated by Alyeska and he was very surprised. He stated that after his first meeting with Leonard Janofsky and Joel McIntyre, he had instructed Hermiller not to fire Scott.

We discussed whether Hermiller had the authority to conduct the investigation without the Owners approval. Garibaldi stated that in a normal course of the Alyeska/Owners relationship, Hermiller should have advised the Owners before taking such a substantial step.

Garibaldi advised me that he plans to establish a part-time consulting business after he leaves BP. He stated unequivocally that his leaving BP had absolutely nothing to do with the investigation and that, on the contrary, he has been asked to stay on to participate in the resolution of this matter.

DYK/leg

(5.0) PC#135/TAPS/GARIBALDI.MEM
01/07/91 11:50 am

EXXON PIPELINE COMPANY
POST OFFICE BOX 2220 • HOUSTON TEXAS 77252-2220

DARRELL G WARNER
PRESIDENT

October 28, 1991

Linda Chase, Esq.
House Interior and Insular Affairs Committee
United States House of Representatives
Washington, D.C. 20515-6201

Dear Ms. Chase:

I am responding to your inquiry of October 24, 1991 to Mr. Bob Jordan concerning disclosures made to Exxon Shipping Company of information resulting from the Wackenhut investigation.

The first notice to anyone in Exxon Shipping Company of any of this information was made in early September 1991 at approximately the same time that Alyeska produced the Wackenhut materials to the Committee, when I advised the President of Exxon Shipping Company of statements in the Wackenhut materials specifically regarding Exxon vessels. Prior to that time, as Alyeska has advised you, all of the Wackenhut materials were sequestered in the law firm of Paul, Hastings, Janofsky & Walker and were not disclosed to anyone or used for any purpose.

Very truly yours,

Darrell G. Warner

DGW:ray

EXHIBIT 199

Alyeska pipeline SERVICE COMPANY

**CONFIDENTIAL** SECURITY CASE REPORT SUPPLEMENTAL

CASE TITLE: Ex Alyeska Employee - James K. Wood ALYESKA CASE No.: 8-1-A-33

By: R. J. Kiml / Valdez Security OTHER CASE No.:

ACTIONS TAKEN: The following is information obtained from conversation with Police Chief Pat Shely of the Valdez Police Dept., on August 6, 1985

He advised he was contacted by Dan Lawn, several days ago. Mr Lawn wanted to know if the Valdez Police Dept was investigating him. Chief Shely told him "No" and asked why. Mr Lawn then said that a person named Bob Walker was talking to some people in the Seattle area that originally lived in Valdez. He went on to say that Bob Walker was using Pat Shely's name when taking to these individuals in Seattle. Chief Shely did not acknowledge he knew Bob Walker but did say he knew a lot of law enforcement people who are now retired and would not necessarily remember their names. Shely asked if this was in reference to the case that AST Trooper Jim Alexander was handling? Lawn advised "yes".

Mr Lawn went on to say that the investigation in Seattle might get messy so he has obtained the services of an attorney.

| | | |
|---|---|---|
| ISO | RECEIVED | ESK |
| OLE | | AVK |
| | AUG 13 1985 | BBH |
| Prep. | J.P. WILMINGTON | KBH |
| Rev. | | |
| Action | ALYESKA SECURITY | File |

PAGE 1 OF 1

"WHITE" - ALYESKA SECURITY MANAGER, "CANARY" - SECURITY DISTRICT SUPERVISOR

EXHIBIT 200

# STATE OF ALASKA
## DEPT. OF PUBLIC SAFETY

CASE NO. 85 35517
8522513

CHECK BOX IF PROPERTY VALUES LISTED BELOW ARE SUPPLEMENTS TO ORIGINAL REPORT ☐

12-201-A (REV. 1984) INV. REPORT

PROPERTY LOSS VALUES BY TYPE AND OFFENSE (See Codes on Back)

| OFFN # | TYPE | $ | OFFN # | TYPE | $ | OFFN # | TYPE | $ | OFFN # | TYPE | $ |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | K | 1,000.00 | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |

TOTAL PROPERTY LOSS/RECOVERY VALUES — EACH OFFENSE

| OFFN # | $ LOSS | $ RECOVERED | OFFN # | $ LOSS | $ RECOVERED | OFFN # | $ LOSS | $ RECOVERED |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | |

SYNOPSIS:

On 1-13-84 JAMES K. WOODLE shipped all of his personal belongings from Valdez to Mt. Vernon, Washington via North American Van Lines. The move was to be paid for by his previous employer Alyeska Pipeline Service Company. Of the 12,800 pounds of freight shipped 1,600 pounds (or 32 items) were marked for early pick up. These items were picked up by DANIEL LAWN and his wife SUE which WOODLE has written permission. Alyeska suspects WOODLE shipped personal items belonging to LAWN'S at Alyeska expense, as LAWN and WOODLE were moving to Washington State from Valdez at approximately the same time. WOODLE has since returned to Valdez where he resides in LAWN'S home until LAWN'S return to Valdez in June 1985. WOODLE maintains that all the items shipped belonged to him and his family and that LAWN was allowed to use the items which in turn saved his (WOODLE) storage fees. Lawn and Woodle have both been interviewed by AST and both claims that all items shipped to Mt. Vernon Washington were personal property of Jim Woodles. Lawn and Woodle both acknowledge that Lawn picked up items marked for early pick up so that Lawn would have the use of the items and that if Woodle would have to pay less for storage fees. AST was unable to find evidence to support theft charges.

EXHIBIT E

PAGE 1 OF 1 PAGES

CASE STATUS: Closed by investigation

| CASE CLEARED | ARREST | PROS. REQ. | UNFOUNDED | NO CRIME | EXCEPTION | CASE NO. | REFERRED TO | COPIES TO |
|---|---|---|---|---|---|---|---|---|
| | | | | X | | | CIB/WCCU 1st Sgt. Geutzmacher | |

| REPORTING OFFICER | FINAL BRIEF | REVIEWED AND APPROVED | FINAL BRIEF | CASE CLOSED |
|---|---|---|---|---|
| Trp. JAMES ALEXANDER | JCA | | KJH | 5/20/85 |

sh

PAGE ____ of ____

LEGAL INVESTIGATIVE SERVICE
ROBERT V. WALKER · SECURITY CONSULTANT · PRIVATE INVESTIGATOR
194 SUNSET BLVD. · SEQUIM, WASHINGTON 98382 · (206) 683-8832

July 8, 1985

Dear Gal:

I made telephonic contact with Mrs. Fawn on Friday, July 12, 1985, with the same results you received. She refused to meet with me stating I should get in touch with her husband or Mr. Woodle.

I tried all my persuasive techniques to get her to meet with me, to no avail.

You should be aware that my final shot threatened her and her husband with being receivers of stolen property as we felt some of the contents of those 33 boxes were property that Woodle had stolen from Alyeska. I feel this is a good cable/fuse which, if keyed on Mr. Fawn, may prompt him to tell you what was really in those boxes so as to clear himself of any criminal conspiracy. As I understand it, he is in Valdez at the present time.

The only bright aspect of my effort was that she took my name and number, and stated if she changes her mind, she will call me ——, I'm not holding my breath however!

I think you should determine if Fawn received funds from the state to transport his belongings "outside," and if so, use this as a club to get him to tell you about the 33 boxes. I'm awaiting your letter with instructions, and will proceed from there.

Sincerely,

Bob Walker

RECEIVED
JUL 16 1985
ROGER E. IVERSEN
ALYESKA SECURITY

Law Offices of
William Bixby
Post Office Box 1229
Valdez, Alaska 99686
(907)835-4775

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA

THIRD JUDICIAL DISTRICT AT ANCHORAGE

JAMES WOODLE,

Plaintiff,

vs.

ALYESKA PIPELINE SERVICE COMPANY,

Defendant.

Case No. 3AN-83-5598 Civil

AFFIDAVIT OF DANIEL J. LANE

STATE OF ALASKA )
) ss.
THIRD JUDICIAL DISTRICT )

I, DANIEL J. LANE, being first duly sworn, depose and state as follows:

1. I am the District Manager for the State of Alaska, Department of Environmental Conservation in Valdez, Alaska.

2. I have known James Woodle for a number of years.

3. In 1984 James Woodle was terminated from his job with Alyeska Pipeline Service Company. Mr. Woodle moved his household goods and personal effects to Seattle, Washington. About the same time I learned that an extended leave that I had requested from my employer had been approved. I was taking nine months off from work to return to school in the Seattle area and take care of a number of personal matters. My plan was to return to my job as District Manager after my leave. Thus I needed to set up a temporary household in the Seattle area. I packed what I considered to be the absolute bare essentials and shipped them via the mails and airlines to Seattle. Prior to my move James Woodle had informed me that he had a number of extra items that he said I could use while I was residing in the Seattle area. He stated that he had a number of boxes packed to set up a temporary household should it become necessary for him to do so since he did not have any firm plans at that time. He gave me

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permission to pick these boxes up when I arrived in Washington. This arrangement benefited me in that I could use the Woodle items to set up housekeeping. This arrangement also benefited Mr. Woodle in that by me using his goods, he would save money and not have to pay storage charges on them.

4. In early April of 1985 I became aware that a criminal investigation was being conducted regarding James Woodle. I became aware of this as a result of contact from the Alaska State Trooper office in Anchorage. A Sergeant Grutzmacher of the Alaska State Troopers called me and stated that the Troopers had received a complaint from Alyeska Pipeline Service Company. He said that he had received orders from his superior and the Alaska State Commissioner of Public Safety to investigate James Woodle for theft of services. Later I had contact with Trooper James Alexander of Valdez also stating that James Woodle was being investigated for theft of services on Alyeska Pipeline's complaint.

5. I heard about this criminal investigation of Jim Woodle and myself by Alyeska from Sergeant Grutzmacher, Alaska State Trooper Jim Alexander, James Woodle, Bill Lamoreaux, Loni Levy, Bruce Erickson, Eric Othow Zi and others. I found out that Alyeska Pipeline was alleging that Jim Woodle had stolen services from them regarding the moving of his household goods and personal effects. I also found out that Alyeska was alleging that I was an accessory to this alleged crime. I found out that Alyeska Pipeline was alleging that I also received goods shipped by Jim Woodle that were stolen from Alyeska and that Jim Woodle and I knew that they were stolen.

6. I was extremely concerned regarding these malicious and false allegations and the harm they could do to my reputation, particularly that it might impair my ability to

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perform my job as District Manager for Department of Environmental Conservation in Valdez.

7. In an effort to find out why Alyeska was doing this to myself and Mr. Woodle I went to Pat Shaly, Chief of Police in Valdez, to inquire who Bob Walker was. Mr. Walker was a private investigator retained by Alyeska to investigate myself and Mr. Woodle. Mr. Walker apparently was interviewing neighbors and friends of mine in Seattle stating he was investigating myself and Mr. Woodle for theft. He stated to certain individuals that he was a friend of Pat Shaly's, the Chief of Police of Valdez, Alaska. I went to Pat Shaly to determine whether he was in fact a friend of his or not. Mr. Shaly told me that he was unaware of Mr. Walker and that he was not a friend of his. I also had contact with Trooper James Alexander as to the status of the Trooper's investigation. I wanted the Trooper's investigation to be over with so that I could clear my name with my superiors at my job.

8. On January 24, 1986, while on business concerning my job at Alyeska Pipeline Terminal, I went to see Mr. Pat Wellington and [redacted] at their office after my normal business was finished. I went there to inquire as to what Mr. Walker was doing investigating me after Trooper Alexander had stated that the Trooper's investigation found that no improprieties had taken place and that the State Trooper's considered the case closed. Further I asked them to provide me with copies of their reports. My plan was to provide copies of these reports to my superiors to show that there was in fact no truth to these allegations. I was not told our conversation was being recorded. On March 13, 1987, I first learned that the meeting was recorded when I was given a portion of the transcript of that meeting by Wayne Anthony Ross. The conversation was recorded without my consent or



Exhibit A

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knowledge. Mr. Ross asked if I could recall whether the transcript was a true and accurate rendition of my portion of conversation with Mr. Wellington. After reviewing the transcript it is a true and accurate rendition of my conversation with Mr. Wellington to the best of my knowledge of that portion of the meeting.

FURTHER AFFIANT SAYETH NAUGHT.

DANIEL J. LAWN

SUBSCRIBED AND SWORN to before me, a Notary Public in and for the State of Alaska, this 12th day of March, 1987.

NOTARY PUBLIC, State of Alaska
My Commission Expires: Lifetime

Alyeska pipeline CONFIDENTIAL SECURITY CASE REPORT SUPPLEMENT

TITLE: JAMES K. WOODLE/RELOCATION EXPENSES ALYESKA CASE No.: 8-1-A-33

OTHER CASE No.: _____

ACTIONS TAKEN: FOLLOWING IS A CONVERSATION RECORDED BETWEEN PAT WELLINGTON, ROGER IVERSEN, AND DAN LAWN IN MR. WELLINGTON'S OFFICE ON FRIDAY, JANUARY 24, 1986.

NOTE: FIRST PART OF TAPE CONSISTS OF STATIC: COULD NOT BE TRANSCRIBED.

DL: I ALSO KNOW THAT A MAN WENT DOWN TO WHERE I WAS LIVING AND SAID HE WAS DOING AN INVESTIGATION AND ASKED A LOT OF QUESTIONS THERE AND MADE SOME ACCUSATIONS AND I WOULD LIKE A COPY OF THOSE.

JPW: WELL, FIRST OF ALL, LET ME JUST SAY THIS, THAT YOU ARE AWARE THAT MR. WOODLE IS SUING ALYESKA OVER UNLAWFUL TERMINATION, I BELIEVE. AND AS A RESULT OF THAT PARTICULAR LAWSUIT, DAN, ALYESKA HAS DONE ITS INVESTIGATION AND IT HAS REVIEWED CERTAIN THINGS CONCERNING MR. WOODLE SO WE ARE ACTIVELY INVOLVED IN A VERY EXPENSIVE LAWSUIT AND PART OF THE LAWSUIT DOES REVOLVE AROUND MR. WOODLE'S MOVE FROM VALDEZ TO WHERE HE MOVED TO AND BACK. AN ADMISSABLE PART OF THAT CIVIL CASE INITIATED BY MR. WOODLE WAS CHALLENGED BY ALYESKA SO I'M NOT AT LIBERTY TO RELEASE ANY OF THE FILES ON MR. WOODLE'S CASE BECAUSE IT'S A PENDING CIVIL CASE.

DL: WELL, LET ME TELL YOU WHAT I KNOW ABOUT THAT. I ALREADY KNOW THAT YOU FOLKS HAVE GIVEN JIM WOODLE'S ATTORNEYS COPIES OF THE INVESTIGATORY REPORT ON HIM WHICH INCLUDES A RATHER DETAILED SUMMARY ON ME. I DON'T CARE WHAT IT HAS TO DO WITH HIM, ALL I WANT IS WHAT HAS TO DO WITH ME.

EXHIBIT A 002674

ACSR

Alyeska pipeline CONFIDENTIAL SECURITY CASE REPORT SUPPLEMENTAL

ASE TITLE: JAMES K. WOODLE ALYESKA CASE No.: 8-1-A-33

OTHER CASE No.:

CTIONS TAKEN:

JPW: WHAT HAPPENED ON THAT DAN IS - AND I DON'T KNOW HOW FAMILIAR WITH THE LAW YOU ARE - EVERYTHING THAT MR. WOODLE HAS RECEIVED FROM ALYESKA HAS BEEN AS A RESULT OF SUBPEONA DEPOSITION AND COURT ACTION. WE HAVEN'T VOLUNTEERED TO HAND ANYTHING OVER TO JIM OR TO HIS ATTORNEYS - THERE IS A LEGAL PROCESS TO GO THROUGH. SO THE LEGAL PROCESS IS THAT JIM AND HIS ATTORNEYS HAVE GONE THROUGH TO LOOK AT CERTAIN INFORMATION AND FINE THAT'S THE WAY IT SHOULD BE AND WE'VE GOT SOME STUFF FROM THEM SO IT'S A TRADEOFF. I'M CERTAINLY NOT AN ATTORNEY BUT I KNOW ENOUGH ABOUT WHAT GOES ON SO YES MR. WOODLE, OR HIS ATTORNEY, PROBABLY HAS RECEIVED INFORMATION FROM ALYESKA UNDER THE DUE PROCESS OF LAW WHICH IS CERTAINLY HIS RIGHT. SO THAT'S HOW HE GOT THAT STUFF.

DL: YOUR INVESTIGATOR MADE A LOT OF ACCUSATIONS ABOUT ME AND MY CONDUCT AND SO ON. I'M NOT PARTICULARLY INTERESTED IN SUING YOU BUT I'M NOT HAPPY WITH THESE COMMENTS WHICH WERE MADE BY A PERSON SUPPOSEDLY REPRESENTING ALYESKA.

JPW: WE DID HIRE AN INDIVIDUAL IN SEATTLE - A PRIVATE INVESTIGATOR WHO THE COMPANY HAD USED BEFORE ON CERTAIN OCCASIONS TO WEED OUT SOME INFORMATION THAT WE HAD RECEIVED. AND HOW HE CONDUCTS HIMSELF IN THE COURSE OF HIS BUSINESS INQUIRIES IS HIS PROBLEM NOT OURS. WE'RE PAYING HIM TO PERFORM A FUNCTION JUST LIKE YOU WOULD PAY SOMEBODY TO COME IN AND PAINT YOUR BUILDING. HE'S NOT AN EMPLOYEE OF ALYESKA - HE'S LICENSED IN THE STATE OF WASHINGTON. IF HE MADE ACCUSATIONS TO THE PEOPLE IN SEATTLE OR

EXHIBIT 8
PAGE 6 OF 002075

AGE ____ OF ____

Alyeska pipeline - CONFIDENTIAL SECURITY CASE REPORT SUPPLE

ASE TITLE: JAMES K. WOODLE ALYESKA CASE No.: 8-1-A-33

OTHER CASE No.:

CTIONS TAKEN:

WHEREVER, THAT THAT'S A PROBLEM HE'S GOT AND NOT OURS SIMPLY BECAUSE WE ASKED HIM TO DO THINGS FOR US. IT WAS JUST CHEAPER TO HAVE HIM WORK OUT OF SEATTLE. I DON'T KNOW WHAT HE SAID BU I WOULD HOPE THAT HE CONDUCTED HIMSELF IN A PROFESSIONAL MANNE WE TRY TO DO BUSINESS WITH PEOPLE WHO ARE REPUTABLE LIKE ANYBOI ELSE DOES. WE GAVE BOB WALKER SOME SPECIFIC THINGS TO LOOK AT.

DL: OKAY, WELL ARE YOU TELLING ME YOU WON'T GIVE ME A COPY OF THE INFORMATION THAT HAS TO DO WITH ME?

JPW: THAT'S CORRECT. I WOULD SAY THIS - THAT IF YOU WANT TO PURSUE IT, DAN, I WOULD RECOMMEND THAT YOU DISCUSS IT WITH OUR LEGAL DEPARTMENT BECAUSE I DON'T CARE WHETHER IT'S YOU OF IF MK WALKS THROUGH THE DOOR OF ALYESKA - WE RELEASE NO DOCUMENTS AT ALYESKA WITHOUT OUR LEGAL DEPARTMENT'S APPROVAL. SO WE ARE NOT TREATING YOU ANY DIFFERENTLY THAN ANYBODY ELSE. I DON'T HAVE THE THE AUTHORITY TO RELEASE ALYESKA'S DOCUMENTS.

DL: IVAN SAID TO TALK WITH PAT.

JPW: SURE.

DL: I'M GOING THROUGH THE PROCEDURES THAT MANAGEMENT ASKED ME TO.

JPW: IVAN DOESN'T HAVE ANYTHING TO DO WITH IT, IT'S JUST THAT HE IS IN THE LOOP.

DL: I UNDERSTAND.

JPW: IF YOU WANT TO PROCEED WITH IT FURTHER, YOU REALLY NEED TO GET AHOLD OF OUR LEGAL DEPARTMENT TO SAY THAT YOU WANT ANY PART OF THE WOODLE CASE THAT MAY MENTION YOUR NAME.

EXHIBIT A 000871

ASE ___ OF ___

Alyeska pipeline CONFIDENTIAL SECURITY CASE REPORT SUPPLEMENT

ASE TITLE: JAMES K. WOODLE ALYESKA CASE No.: 8-1-A-33

OTHER CASE No.:

CTIONS TAKEN:

DL: I UNDERSTAND.

JPW: WOODLE WON'T GIVE YOU A COPY OF THE REPORT?

DL: I DON'T KNOW IF HE CAN GIVE ME A COPY. I'M NOT INTERESTED IN HIS CASE, JUST WHERE IT MENTIONS ME.

RBI: WE ARE INVESTIGATING THIS INVESTIGATION NOT DIRECTED TO YOU, BUT WHERE YOU ARE MENTIONED IT HAS TO BE CHECKED OUT.

DL: PEOPLE GO TO MY RESIDENCE AND WANT TO KNOW WHAT HAPPENED TO STOLEN ALYESKA PROPERTY. I THINK THAT SAYS SOMETHING ABOUT ME. AND THAT'S WHAT I OBJECT TO.

JPW: I HAVE NO IDEA WHAT MR. WALKER SAID.

DL: I THINK IT IS IMPORTANT TO FIND OUT WHAT HE SAID.

JPW: I THINK IT IS IMPORTANT THAT YOU KNOW I AM NOT TREATING YOU ANY DIFFERENTLY THAN ANYBODY ELSE - IT IS JUST STANDARD ALYESKA..... POLICY. I AM NOT SINGLEYING YOU OUT.

DL: WELL, I HAD TO START SOMEPLACE

JPW: SURE.

INTERVIEW CONCLUDED AT 5:20 PM ON JANUARY 24, 1986.

AGE ____ OF ____

EXHIBIT 002677